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WHAT KIND OF A MARKET IS INDIA? (page two)

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cover Trucks and bullock carts combine to move India's exports and imports on the jettys along the Hoogly River in Calcutta, India's largest city and second port. In an article on page two, the reader will find a report on the busy India of today, with new industries rising and trade expanding—and some discussion of problems that dollar suppliers face.

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CANADA

T. FRANK HARRIS, a Trade Commissioner since 1947 with service in Rio de Janeiro and the Hague, has returned to Canada from Bombay, his latest post, and begins an east-to-west tour of business centres on September 2 in Quebec City. As a prelude to his talks with Canadian businessmen, Mr. Harris has prepared this article which answers your question . . .

What Kind of a Market Is India?

INDIA is the world's seventh largest country; could pack as many as thirteen Great Britains this land mass covering an area of 1,269,640 squ miles. The population today approaches 400 mill or nearly one-seventh of the entire human race. I has the highest mountain ranges in the world vast river valleys raised only a few feet above level. Its climate is essentially monsoon-tropical local variations. And although it has some of hottest, wettest and most arid regions on earth enjoys for part of the year, and in its hilly reg throughout the year, a temperate and healthy clim

Physically, India can be divided into three dist regions. The first is the Himalayas—the lof mountain ranges in the world. They extend in shape of a scimitar along the whole length of northern frontier, then branch off southwards, form a barrier between Assam and Upper Burma. T make the climate of Northern India what it is through the centuries they have stood as an impass wall, checking the infiltration of peoples from north.

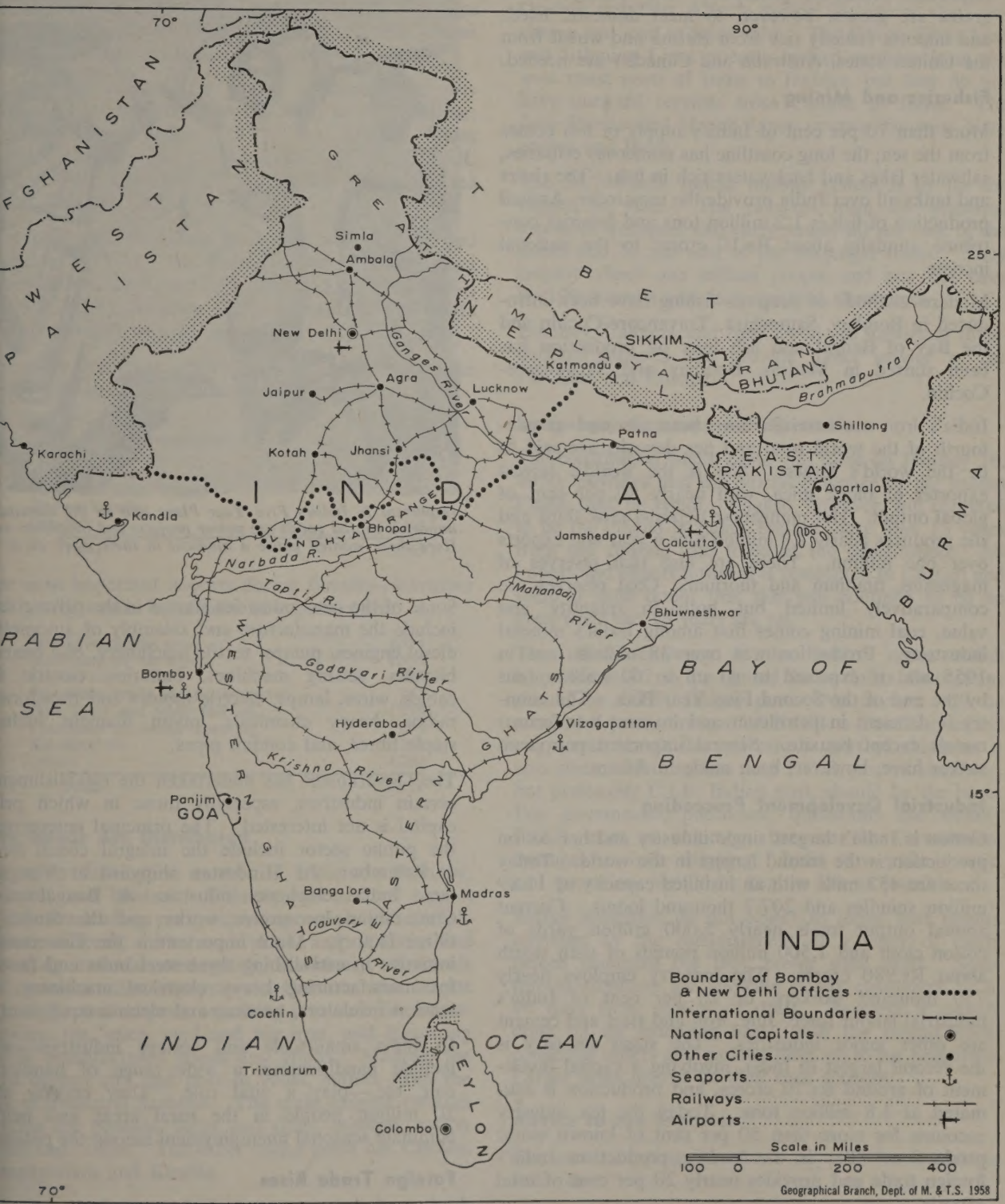
The second region is the Indo-Gangetic plain. Situ between the Himalayas and peninsular India, 300 thousand square miles of alluvial plain is wat by the Ganges and her tributaries, the Brahmap and a number of other Himalayan rivers. It cont some of the most fertile and densely populated a in the world.

The third region is the peninsula flanked by moun ranges on the three sides—the confused ranges kn as the Vindhyas on the north and the Eastern the Western Ghats. The Narbada and the T Rivers flow into the Arabian Sea, and the Mahan Godavaria, Krishna and the Cauvery into the Ba Bengal.

Agriculture Is Mainstay

Seven out of every ten Indians depend on agricul for their livelihood and the entire life of the 558 thousand villages revolves around the peas Agriculture contributes nearly half of India's nati income, estimated at 9,650 crores of rupees for 19 56. A major characteristic of India's agriculture is wide variety of crops. In addition to food, agri ture supplies essential raw materials for major in tries such as sugar, jute and cotton textiles, accounts for the bulk of Indian exports. Ther hardly a crop of tropical, subtropical or tempe regions which is not grown in the country. Ano important characteristic is the overwhelming bia favour of food crops as against cash crops. Ou the 317 million acres of cultivated land, nearly 85 cent is under food crops.

India leads the world in the production of tea, su cane and peanuts, ranks second in rice and jute, t


70°
90°
25°
15°
AFGHANISTAN
PAKISTAN
GREAT TIBET
HIMALAYAN RANGE
SIKKIM
BHUTAN
Brahmaputra R.
Simla
Ambala
New Delhi
Ganges River
Katmandu
Jaipur
Agra
Lucknow
Patna
Shillong
Karachi
Kotah
Jhansi
EAST PAKISTAN
INDIA
Agartala
BURMA
Kandla
VINDHYA RANGE
Bhopal
Jamshedpur
Calcutta
Narbada R.
Tapti R.
Mahanadi River
Bhuwneshwar
ARABIAN SEA
Bombay
Godavari River
BAY OF BENGAL
WESTERN GHATS
Hyderabad
Vizagapattam
Krishna River
Panjim
GOA
EASTERN GHATS
Bangalore
Madras
Cauvery River
Cochin
INDIAN OCEAN
Trivandrum
CEYLON
Colombo
INDIA
Boundary of Bombay & New Delhi Offices
International Boundaries
National Capitals
Other Cities
Seaports
Railways
Airports
Scale in Miles
100 0 200 400
Geographical Branch, Dept. of M. & T.S. 1958

in cotton, tobacco and linseed and has a virtual monopoly in lac. After rice, wheat is the second most important foodgrain produced. Not enough foodgrains are grown, however, to meet domestic needs and imports (chiefly rice from Burma and wheat from the United States, Australia and Canada) are needed.

Fisheries and Mining

More than 70 per cent of India's supply of fish comes from the sea; the long coastline has numerous estuaries, saltwater lakes and backwaters rich in fish. The rivers and tanks all over India provide the remainder. Annual production of fish is 1.2 million tons and fisheries contribute annually about Rs.10 crores to the national income.

Modern methods of deep-sea fishing have been introduced in Bombay, Saurashtra, Travancore-Cochin and the Bay of Bengal and fish liver oil production has been started in Madras, Bombay and Travancore-Cochin.

India's iron ore reserves have been assessed at one-fourth of the world total and her deposits are said to be the world's largest. She is the world's largest exporter of block mica, with nearly 80 per cent of global output. Her manganese deposits rank third and she produces nearly 1.8 million tons a year and exports over one million. There are also rich reserves of magnesite, titanium and thorium. Coal reserves are comparatively limited but both in quantity and value, coal mining comes first among India's mineral industries. Production was over 38 million tons in 1955 and is expected to go up to 60 million tons by the end of the Second Five Year Plan. The country is deficient in petroleum and in most non-ferrous metals except bauxite. Several important petroleum strikes have, however, been made in Assam.

Industrial Development Proceeding

Cotton is India's largest single industry and her cotton production is the second largest in the world. Today there are 453 mills with an installed capacity of 11.89 million spindles and 207.7 thousand looms. Current annual output totals nearly 5,000 million yards of cotton cloth and 1,500 million pounds of yarn worth about Rs.980 crores. The industry employs nearly 750 thousand workers, or 20 per cent of India's industrial labour force. Jute, iron and steel and cement are other major industries. The sugar industry is the second largest in India, involving a capital investment of around Rs.70 crores, and production is estimated at 1.8 million tons. Today the tea industry accounts for more than 50 per cent of known world production. Tea is the leading product in India's foreign trade and provides nearly 20 per cent of total exports.

The principle of a mixed economy has been accepted as the basis for the country's industrial development.

Important in India's Five Year Plans and in the demand imported capital goods are power projects and irrigation w Here three women pause a moment in their work on a

Some of the new industries started in the private se include the manufacture and assembly of automob diesel engines, pumps, textile machinery, ball beari bicycles, sewing machines, batteries, electric cables, wires, lamps, electric motors and transform radios, heavy chemicals, rayon filament inclu staple fibres, and conduit pipes.

The Government has undertaken the establishmen certain industries, especially those in which pri capital is not interested. The principal enterprise the public sector include the integral coach fac at Perambur, the Hindustan shipyard at Vizaga tam, India telephone industries at Bangalore, Chittaranjan locomotive works and the Sindri tilizer factory. More important is the Governm initiative in establishing three steel units and facto for manufacturing heavy electrical machinery, tension insulators, wireless and electric equipment

In India small-scale and cottage industries—w include handlooming, a wide range of handicr coir, etc.—play a vital role. They employ a 20 million people in the rural areas and help eliminate seasonal unemployment among the peasa

Foreign Trade Rises

During 1957, India's foreign trade went up by 20 cent over the previous year, largely because increased imports of capital goods and essential

aterials. The latest available statistics are for Janu-y to November 1957, when imports reached the peak vel of Rs.912 crores compared with Rs.736 crores uring January-November 1956. Exports also rose Rs.596.5 crores compared with Rs.539 crores uring the corresponding period of 1956.

he leading markets for Indian products, with per-ntage of the total trade in brackets, were as follows: he United Kingdom (25), the United States 19.4), Japan (4.4), Australia (3.9), U.S.S.R. 2.8), West Germany (2.5), Ceylon (2.4), Burma 2.3), Canada (2.2).

he principal supplying countries were the United ingdom (23.2), the United States (15.9), West ermany (12.2), Iran (5.5), Japan (5.4), Italy (2.9), .S.S.R. (2.3), Belgium (2.2), France (2.1). Canada nked fifteenth with 1.3 per cent.

he most important exports during January-November 957, with values in millions of rupees, were:

Tea	1,138
Jute yarn and manufactures	1,082
Cotton piecegoods	626
Manganese ore	298
Hides and skins, tanned	204
Cashew kernels	136
Others	2,481
Total	5,965

he most important imports during January-November 957, with values in millions of rupees, were:

Metals (excluding ores)	1,774
Machinery of all kinds	1,554
Cotton, raw	463
Petroleum, crude and partly refined	287
Gas, diesel and other fuel oil	278
Chemicals (excluding manures)	274
Kerosene oil	211
Others	4,280
Total	9,121

ow Goods Are Distributed

he main distribution centres in India are Bombay, alcutta and Madras. Bombay, the second biggest ty, is the leading port, exporting mainly short-staple tton, oilseeds, hides and skins and textiles, and nporting manufactured goods, machinery, chemicals nd transportation equipment. Calcutta, the largest ty, is the second port, exporting jute and jute manu-ctures, tea, mica, coal and pig iron, and importing iefly manufactured goods and grains. Madras, the ird biggest city and port in India, suffers from the ck of a natural harbour. The main exports through Iadras are peanuts, hides and skins, tobacco, cotton oods and coffee. The other major ports are Cochin, izagapattam and Kandla.

nipping services to India are operated from both stern and western Canadian ports. The Canada-dia-Pakistan line operates a service between eastern Canada and the east and west coast ports of India. During the summer, inward, their steamers call at Montreal and load outward at Montreal, Three Rivers, Quebec and Port Alfred; during the winter they discharge and load at Saint John. The Hoegh Silver Line and Isthmian Lines operate inward services from the west coast ports of India to Halifax, but they do not have outward services from Canada to India. The Java Pacific and Hoegh Lines operate between Vancouver and India.

The 34,744-mile Indian railway system is by far the biggest in Asia. The railways form the principal means of transport and carry nearly 80 per cent of the goods and 70 per cent of the passenger traffic. They employ about one million people and pay out over Rs.100 crores a year in wages and allowances.

Bombay, Calcutta and New Delhi are important international airports and provide direct service to the Far East and Europe.

Language, Currency and Quotations

The constitution which came into force on January 26, 1950, provides that the official language of the Indian Union shall be Hindi. English, however, will continue to be the official language for not more than 15 years from the coming into force of the constitution. All import and export business is conducted in English and there is little doubt that this will continue to be so even when the 15 years are up.

The official currency is the Indian rupee which is quoted at 4.7 to the United States dollar. Quotations should be C.I.F. Indian port. No interest will be aroused if prices are quoted F.O.B. a Canadian inland city, even though the rail rate to port of shipment is also given. Nothing less than F.O.B. port of shipment, but preferably C.I.F. Indian port, should be the basis. For government purchases, quotations are usually F.O.B. port of shipment because the Government arranges its own shipping. India is a price market and quotations should be kept as low as possible.

Indian importers do not object to terms that require payment by the establishment of a letter of credit before shipment but they prefer sight draft. Some foreign suppliers are allowing steady customers 30 to 90 days from receipt of draft. Business is usually done on an indenting basis, with the import agent collecting orders and passing them on to his principals. Larger firms import on their own account.

Advice to the Exporter

The usual shipping documents required for exports to India are:

1. Commercial invoice.
2. Bills of lading.

3. Packing list, required when the goods are not fully described in the commercial invoice.

4. Bank draft may be required by Customs to check the value of the goods shown in the invoice.

5. Certificate of origin.

The country of origin should appear on the product itself if possible or on the container. The country of origin, the contents, gross and net weight in pounds, and measurements should be stencilled or printed on the packing case which should be able to withstand very rough handling.

Because all imports into India are strictly controlled, the Canadian exporter should demand proof that the importer has an import licence before making any shipment or before undertaking any manufacturing on behalf of the importer.

Samples and advertising matter of no commercial value not exceeding Rs.250 in C.I.F. value in one consignment may be imported without a licence.

Airmail should be used for all correspondence because surface mail from Canada takes from six to eight weeks to reach India.

Exchange Limits Potential

With the second largest population in the world and a standard of living rising slowly but steadily, there is no doubt that India is a tremendous potential market for a vast range of goods. At the present time, however, there is a severe foreign exchange crisis. At the end of May the sterling reserves had sunk to a record low of just over half a billion dollars, sufficient to last only four months at the present rate. To meet this crisis, there is no doubt that in the next licensing period—October to December 1958—imports, even now limited almost wholly to raw materials and capital goods, will be cut drastically. Priority will almost certainly be given to imports required for essential industries and for projects under the Second Five Year Plan which have already reached an advanced stage or make up the basic "core" of the Plan. These "core" projects are railway development and extension (including additional rolling stock and maintenance, doubling and extension of track), major steel plants, improvement to major ports and the development of minor ports (Kandla and Cochin), coal and power. Invitations to tender on the equipment needed for these projects are issued by the Government or the State Corporations concerned. Interested Canadian firms should appoint an Indian agent if they are not already represented; this agent will submit tenders on their behalf and do the necessary follow-up. To improve their competitive position, Canadian firms should endeavour to offer deferred payment terms acceptable to the Export Credits Insurance Corporation. •

Does Ind

Canadian companies doing business or investi money in India must pay Indian income tax und certain circumstances. Even representatives Canadian firms who spend more than 90 days year in India may be assessed.

JOHN H. NELSON,
Assistant Commercial Secretary, New Delhi.

INCOME tax in India is governed by the India Income Tax Act of 1922 and the amendments mad since that time. The taxes that affect foreign busine firms or individuals most directly are income ta income tax surcharge, corporation tax, and superta

Taxation in one's own country can be complicate enough. It becomes even more difficult when th taxation laws of another country are concerned. Th Indian Income Tax Act has certain provisions th may affect Canadian firms or businessmen who a exporting goods to or doing business in India. Th following paragraphs are intended not to give resumé of the Indian Income Tax Act but to point o where it touches Indo-Canadian business relation

Taxation on Corporate Income

Foreign companies investing capital in India pa income tax and income tax surcharge at the same ra as an Indian company. Corporation tax is also pa able at the same rate if dividends are distributed India and supertax (payable only by individuals an not corporations) is deducted from dividends pa to non-resident shareholders. If dividends are pa to non-residents without deducting supertax, the co poration tax is increased to compensate for the lo to the exchequer.

The calculation of tax payable on income for bo Indian and foreign-owned firms is based on net incom net income is gross income less all expenditur incurred for the earning of the income and less depr ciation allowances. There are certain other concessio such as development rebates, tax holidays and conce sions for certain industrial undertakings, and speci depreciation allowances for new plant and machiner

The rate of taxation, including income tax, income t surcharge, and corporation tax varies from 41½ 61½ per cent, depending on the amount of income an the corporate nature of the company.

xation Affect Canadian Firms?

ıe Ministry of Finance of the Government of India s published a booklet entitled *Taxation of Corporate come in India* which explains in greater detail the xation of foreign companies. Canadian companies nsidering investment in India should find this pub- ation useful and should ask the Office of the High ɔmmissioner for India in Ottawa for a copy.

elationship with Agent

ınadian companies that export to India through an dian agent may be considered by the tax authorities doing business in India, and hence liable to tax less their sales are on a principal-to-principal basis. ıe real relationship between an exporter and his ent is judged on the agreement between them. A incipal-to-principal agreement is generally considered exist when first, the purchases by the Indian agent firm are outright and for their own account; second, e sale is made at "arm's length" and at prices which ɔuld normally be charged to other customers; third, e Canadian firm exercises no control over the busi- ss of the Indian firm and sales are made by the tter on its own account; or fourth, payment to the ınadian exporter is made on delivery of the docu- ents and does not in any way depend on sales ade by the Indian firm. The normal principal-agent lationship is usually considered to fall within these iteria and only when the relationship is closer than ɔrmal would a Canadian firm be considered as doing siness in India.

the tax authorities consider that a Canadian firm is ɔing business in India, they will ask for detailed state- ents of income, expenses, and net profits on sales India, as well as on all other sales. Tax is assessed the basis of this information. Failure to provide e requested information will result in an assessment the basis of sales in India, divided by total domestic d export sales, times total domestic and export profit, nes the tax rate; the total sales and total profit are timated by the income tax officer. If this assessment not paid, the Indian agent may be held liable for e amount of the tax.

reatment of Deferred Payments

bout a year and a half ago, the Indian Government thorities adopted a policy of encouraging deferred ayments on capital goods imports to assist in over- ɔming the shortage of foreign exchange facing the ountry. As the Indian Income Tax Act is written at present, foreign firms or financial institutions that advance money on such deferred payment sales earn interest, and this interest is considered to be earned in India and hence liable to taxation.

The assessment of income tax on interest earned on deferred payment financing is now considered as hardly in keeping with the spirit of a deferred payment agreement. As a result, legislation has been enacted to exempt such loans from income tax, provided they have received prior approval from the Central Government.

Canadian agents of Indian firms who earn commissions or other remuneration for the services provided to their Indian principals are not liable to Indian taxation. Such income is considered to be earned in Canada.

Tax on Business Visitors

Businessmen and representatives of Canadian business firms who come to India on business (that is to say, not as tourists) may be considered as earning their income in India whether it is paid in India or in Canada. If the stay in India in any one fiscal year (April 1 to March 31) is less than 90 days, an exemption is given. If the stay is over 90 days—the number of days is calculated on the sum of each separate visit during the year—it is necessary to make a declaration of income to the income tax authorities, pay the assessment made on the declared income, and obtain an income tax clearance certificate before leaving India.

An exception to this rule is made for certain technicians, such as those assigned to development projects under the Second Five Year Plan, new industries, or the training of Indian personnel. In order to obtain the exemption, it is necessary to get prior approval of the contract of assignment from the Government of India.

Source of Advice

Failure to realize that certain provisions of the Act may affect a Canadian firm can cause difficulty and embarrassment to both the Indian and Canadian firms. If Canadian companies or individual businessmen who are in doubt about their Indian tax position wish to write to or call on the Commercial Counsellor, Office of the High Commissioner for Canada, New Delhi, or the Canadian Government Trade Commissioner, Bombay, every effort will be made to assist them. •

58150-4—2½

AUSTRALIA *looks to* CANADA *to buy and sell* FARM PRODUCTS

Sugar, dried fruit, wool, meat and other agricultural products make up 90 per cent of Australian sales to Canada. A large portion of the dollars they earn are spent on Canadian goods, but less than 5 per cent of these come from Canadian farms.

H. S. HAY,
Assistant Commercial Secretary, Melbourne.

AUSTRALIA'S prosperity, like Canada's, is vitally dependent on overseas trade. Unlike Canada, agricultural products make up the bulk of Australia's exports —about four-fifths compared with one-quarter for Canada. Chief among these are wool (more than half of all exports), wheat, fresh and canned meat, sugar, butter, hides and skins, flour, barley, milk (dried or preserved), fresh and dried fruit, animal fats, wine and brandy, oats, eggs, cheese and sausage casings. By far the most important overseas market is the United Kingdom, followed by Western Europe, New Zealand, South East Asia and North America.

Canadian-Australian trade has remained fairly constant for the past several years. In 1957, it totalled $77.6 million—$48.9 million in Canadian exports to Australia and $28.7 million in Australian exports to Canada. More than 90 per cent of these imports into Canada were agricultural products. On the other hand, agricultural products (chiefly tobacco and sausage casings) normally make up less than 5 per cent of Canada's exports to Australia.

CANADIAN-AUSTRALIAN TRADE IN AGRICULTURAL PRODUCTS

	1958 First quarter	1957	195
		($000's)	
Exports—Canada to Australia			
Tobacco	1.8	972	1,03
Sausage casings	16.0	330	26
Wheat	1,275		
	1,292.8	1,302	1,30
Imports—Canada from Australia			
		1957	195
Sugar		11,559	7,33
Currants and raisins		5,008	4,32
Wool		3,927	6,83
Canned meat and meat extracts		2,868	2,52
Fresh meat and offal		918	81
Wine, brandy and spirits		844	76
Canned fruit, fruit juices and products		680	56
Sausage casings		597	56
Edible gelatine		195	16
Rice			25
Powdered skim milk		77	5
		26,675	24,18

Drought Affects Exports

Severe dry conditions prevailed throughout most o 1957 and this, together with the slump in world com modity prices, brought exports down from £976. million in 1956-57 to an estimated £810 million fo the year ended June 30, 1958. A further decline t between £720 million and £750 million is predicte for 1958-59 as the full effects of the adverse condition are felt. The over-all level of Australian export price is down 24 per cent and farm income is the lowest fo several years. The decline in overseas earnings stem largely from the sag in production and prices of woo and wheat. Certain other crops, notably fruit, bene fited from the drought and achieved high or even recor yields. Rains came early in 1958 and so far this yea the outlook is generally favourable; the long-ter outlook is definitely good.

On the Backs of Sheep

One hundred and fifty million sheep bring in mor than half of Australia's export income. Wool export reached £505 million in 1956-57, declined to a estimated £395 million this year, and are expected t fall to a possible £325 million in 1958-59. Durin the first eleven months of 1957-58, prices droppe 29 per cent to an 8½-year low; the quantity of woo sold went down 9 per cent.

The 1958-59 clip is expected to be 5 per cent smalle because much of the sheep country has still not ha

hese grapes, grown in a vineyard established in an irrigated ea of northern Victoria, will be dried in the sun and become rst-grade table raisins. Canada bought last year about 15,000 ns of Australia's 86,000-ton harvest of dried vine fruits.

ufficient rain. However, the quality has not declined eriously and this, combined with only a small carry-ver this season, should mean little surplus and a onsequent firming of prices next year.

xports of wool to Canada depend largely on the attern of development followed by the Canadian oollen and worsted industry.

anadian Wheat Imported

ustralia is normally one of the world's great wheat xporters. Last year's harvest, however, was the mallest since the Second World War and, at 96 million ushels, was well below the poor 135-million-bushel rop of the previous year and not much more than alf of the 186-million-bushel ten-year average. Exports re unlikely to exceed 60 million bushels for the year nded June 30, 1958.

he smaller supply was also badly distributed and nusually large interstate shipments were necessary. verage milling quality was high but a shortage of high-protein wheat developed in New South Wales, when less than one million bushels became available from the hard wheat section in the northwest of that state. As a result, the Government granted permission in December 1957 for the import of four to five cargoes (one to one and one-half million bushels) of Canadian No. 3 Manitoba, the first imports of wheat in any quantity since 1945-46.

Sowing of the new crop was completed recently under favourable conditions. This year's acreage could be as high as 11.5 million acres and is the largest for eight seasons.

Other grains also suffered from the drought this past year and production of barley, oats, maize and sorghum was down considerably. Probably only 16 million bushels of barley and 2.1 million bushels of oats will be available for export from the 1957-58 crop, compared with 26.5 million and 8.2 million bushels from the previous year.

Flour markets are also suffering but mainly from overseas competition. Efforts to retain traditional markets in South East Asia and the Persian Gulf area have been rather handicapped by lower-priced European supplies in these areas.

Growing Markets for Meat

On the heels of a record season in 1956-57, when beef and veal production reached 791 thousand tons, lamb and mutton 389 thousand and pigmeats 92,000,

These pineapples, harvested on a farm in Queensland, may be sold abroad either as fresh fruit or canned. Australia is promoting sales of canned pineapple in Canada; is able at the moment to compete in price with the Hawaiian product.

the drought influenced 1957-58 production because shortages of feed in some areas forced farmers to market unfinished stock. Exports of carcass meat are expected to be down 17 per cent and canned meat 9 per cent. Fortunately, a 15-year meat agreement with the United Kingdom (the principal market) has helped to sustain Australian prices in the face of falling beef prices in London.

Canada is the second most important overseas market for lamb and canned beef. The very low Canadian per capita consumption of lamb in relation to beef is looked upon as an incentive for increasing sales of top-quality spring lamb. Demand for Australian canned corned beef and other canned meat has also been rising.

A worthwhile two-way trade in sausage casings has developed, with Australia shipping sheep casings and Canada in return supplying mainly hog casings. From the Australian point of view, with better continuity of supply and adequate cleaning procedures, prospects are good for increasing exports. Canadian shipments are limited by Australian import licensing; the original quota was determined by a selected base-period experience.

Dairy Produce Suffers

Milk production is expected to be down significantly because of the poor season. Butter production is estimated at 173 thousand tons (190 thousand tons in 1956-57) and cheese production at 34,000 tons (45,000 tons in 1956-57). Normally, this would have helped the United Kingdom market to recover from a position of over-supply, but above-normal production among competing suppliers has resulted in unsatisfactory prices that are expected to continue for some time.

Bumper Year for Fruit

The wide diversity of Australian climate and soil makes it possible to grow a variety of temperate and tropical fruit. Much of this fruit is exported to the United Kingdom, New Zealand, Western Europe, South East Asia, and Canada. Last year's dry spell, bad for wool, wheat and livestock, resulted in many bumper fruit crops.

Apples and pears are the most important of the fresh fruits sold abroad. Exports in 1957-58 of 5.6 million cases of apples and 1.4 million cases of pears were the highest for some years. Other fresh fruit available for export included plums, oranges, grapes, tomatoes, grapefruit and mandarin oranges. The current year is expected to be a bright one for the whole fruit industry.

The outlook for canned fruit is reasonably good, although overseas competition is keen. Canada is an important market for canned pineapple becaus Australia tends to have a price edge on the competitiv Hawaiian pack. Steps are being taken to maintai the Australian product on the Canadian mark through advertising and the keeping of stocks i Canada and prospects are said to be good. Othe Australian canned fruit, especially peaches, are havin a tougher time competing against domestic and Cal fornia packs and the industry is becoming increasingl aware that prices must be competitive.

Dried vine fruits are important export earners becaus approximately 80 per cent of the average £9 millio crop goes overseas. Canada is the second best cu tomer and takes about one-quarter of the export pac Competition from California is stiff but Australia ha been able to capture about 60 per cent of the Can dian market. Attractive packaging, advertising, an continuity of supply are being emphasized in a bi to retain the major share of the market. It is hope that Canada's share of the 86,000-ton crop will increas from 15,000 tons last year to 17,000 tons this yea

Sugar Second Most Important Export

Australia is one of the world's great cane-sugar pro ducers and last year the crop came second only t wool in value. The 1957-58 crop, affected by drough was nevertheless the most valuable ever and its expo earnings should reach £35 million. Sales to Japa and the United Kingdom were doubled and sales t Canada remained the same in volume but enjoyed 40 per cent rise in price.

Conditions for the new crop so far are favourable an it could be a record high. Last year, quota provisio under the International Sugar Agreement were su pended for about ten months when the world price ro to more than four cents a pound. These have no been re-imposed following an increase in world pr duction. A total of 700 thousand tons has bee approved for export from the new crop and the pri negotiated under the Commonwealth Sugar Agreeme for 1958 is £43.16.8d. per ton, a rise of £1.13.4 over 1957.

Wine Has Good Season

Australians take pride in their native wines. Aft the United Kingdom, Canada ranks as the most impo tant overseas market although many of the finest win have not appeared on Canadian tables. The prolonge drought meant the best season for three years, wi a total production of 29 million gallons. Expor increased by 550 thousand gallons to 1,775,00 mainly because shipments to the United Kingdom an Canada rose. Brandy exports were 24,000 gallo above the previous year, thanks largely to bigg Canadian purchases. Australian producers are watc ing the Canadian market closely.

Extensive areas of Australia have soil and weather conditions favourable to the cultivation of tobacco. The industry has been established since colonial days and the quality of locally grown leaf has improved. Nevertheless, the bulk is still imported, mostly from the United States, Rhodesia and Canada.

To encourage local production, concessional rates of duty on imported leaf are allowed to manufacturers when it is used with a prescribed proportion of Australian leaf. For 1958-59, it is 16½ per cent on leaf used in tobacco and 15½ per cent on leaf used in cigarettes. As of July 1, 1959, this is to be increased to 23½ and 22 per cent respectively. A vintage year for locally grown tobacco is in the offing and sales by October are expected to reach eleven million pounds worth £6 million. Dollar imports will be cut back by nearly $9 million.

Possibilities for Canadian Products

Canadian exports to Australia generally face severe import licensing restrictions at the present time as Australia copes with the world-wide problem of conserving overseas currency reserves. It is doubtful whether a sustained market can be developed for more than a very few of Canada's agricultural products. On the other hand, Canada is an important long-term market for Australian agricultural produce. Ever-increasing efforts will undoubtedly be directed towards establishing a wide range of Australian produce and brands, competitive in all respects, on the Canadian market.

Trade Commissioners on Tour

The following officers of the Trade Commissioner Service are on tour in Canada. Their itineraries are:

H. E. CAMPBELL, Trade Commissioner in Kingston, Jamaica:

Vancouver—Sept. 2-10
Winnipeg—Sept. 12
Ottawa—Sept. 15-19
Montreal—Sept. 22-30
Maritimes—Oct. 1-10
Toronto, Southwestern Ont., Oct. 13-24

When he completes his tour Mr. Campbell will return to his post in Kingston, Jamaica.

M. P. CARSON, Trade Commissioner in Singapore:

Saint John—Sept. 16
Moncton—Sept. 17
Halifax—Sept. 18

T. F. HARRIS, Trade Commissioner in Bombay, India:

Quebec—Sept. 2
Montreal—Sept. 3-9
Toronto—Sept. 10-17
St. Catharines, Welland—Sept. 18
Hamilton—Sept. 19
Winnipeg—Sept. 22-23
Calgary—Sept. 24-25
Vancouver—Sept. 26-Oct. 3

E. H. MAGUIRE, Consul in Hamburg, West Germany:

Victoria—Sept. 10.
Vancouver—Sept. 11-22
Kelowna—Sept. 23.
Winnipeg—Sept. 24-26

M. J. VECHSLER, Consul and Trade Commissioner in Detroit:

Ottawa—Sept. 2-5
Quebec City—Sept. 8
Montreal—Sept. 9-12
Saint John, Fredericton—Sept. 15-16
Halifax—Sept. 17
Moncton, Charlottetown—Sept. 18-19
Toronto—Sept. 22-24
Hamilton—Sept. 25

Businessmen who wish to see these officers should get in touch with the Board of Trade or Chamber of Commerce in the cities mentioned, with the following exceptions. In Toronto, Winnipeg and Edmonton, the Trade Commissioners make their headquarters at the offices of the Canadian Manufacturers Association; in St. John's, Ottawa and Vancouver, at the Department of Trade and Commerce; in Victoria, at the Department of Trade and Industry, and in Fredericton at the Department of Industry and Development.

Commodity Notes

Aluminum

UNITED STATES—Ormet Corporation, the nation's newest and fourth largest aluminum producer, will put its new $55 million plant into full-scale operation late in the summer, although initial production has already started. The plant, located on a 1,000-acre site 30 miles below Baton Rouge on the Mississippi River, will produce approximately 345 thousand tons of alumina a year. Ormet was formed in August 1956, to construct, own and operate primary aluminum production facilities for the two companies which own it jointly, Olin Mathieson Chemical Corporation and Revere Copper and Brass, Inc.—New Orleans.

Automobiles

BRAZIL—Brazil's first passenger car, the first four-door sedan made in Latin America, was recently introduced. Incorporating 70 per cent Brazilian material and built to accommodate five or six persons, the front-wheel drive DKW is powered by a three-cylinder, two-cycle, 45-horsepower water-cooled engine. The car is about 4⅓ meters long, over 1½ meters wide, and weighs 940 kilos. According to present plans, by 1960 Vemag should be producing 5,500 passenger cars, 3,050 jeeps and 1,200 station wagons a year in São Paulo—São Paulo.

Barbed Wire

RHODESIA AND NYASALAND—Bulawayo is the first city in the Federation to start manufacturing barbed wire. Mr. Hans Hjelmquist, a Swede who arrived here seven years ago, found no local production and decided to import his own machines and start a factory. Business is now so good that he is importing more machines to keep pace with the local demand—Salisbury.

Coal

AUSTRALIA—Contracts have been secured by an Australian firm, Henderson-Trippe Pty. Ltd., to supply 55,000 tons of coal to Korea, and there are prospects of an increase to more than 100 thousand tons. An initial shipment, a mixture from the Muswellbrook and Great Northern coal seams of New South Wales, was expected to be loaded early in August—Sydney.

Iron Ore

SWEDEN—The Liberian American Swedish Mining Company, in collaboration with the Grängesberg Company of Sweden, the Swedish Sentab Company and other firms has begun to develop Liberia's extensive ore resources. Railway and harbour installations are now being built under Swedish direction —Stockholm.

Jet Planes

BRAZIL—It is reported that VARIG has purchased five more *Caravelle* jet planes from the French Sud Aviation—São Paulo.

Minerals

ARGENTINA—Official figures on exports of metal-bearing ores and minerals from Argentina during the first six months of 1958 show a total value of US$3,101,917 made up as follows: wolframite US$2,193,231; copper, US$97,959; tin, US$71,722 borate, US$48,931; salt, US$176,716, and marble US$43,420—Buenos Aires.

Nursery Products

NETHERLANDS—Netherlands exports of nursery products in 1957 were valued at fl.276.9 million, an increase of 5 per cent over the 1956 figure. As in previous years, West Germany was the chief market and absorbed fl.69.9 million worth, or 25 per cent of total exports. The United Kingdom followed with purchases worth fl.51 million, then the United States fl.45.1 million, and Sweden fl.32.5 million. Canada ranked eighth among the major markets with imports valued at fl.9.2 million. Despite an increase in the export value of flower bulbs to fl.192.7 million from fl.187.2 million in 1956, this group's contribution to the export total dropped to 69.9 per cent in 1957 from 70.9 per cent in the previous year. Floricultural products at fl.53.4 million made up 19 per cent

of the total compared with fl.48.9 million in 1956; woody nursery products at fl.30.8 million accounted for 11.1 per cent compared with 10.5 per cent in 1956 (fl.27.7 million)—The Hague.

Petrochemicals

AUSTRIA—As one of Europe's leading oil producers, Austria is planning a petrochemical industry. The Austrian Stickstoffwerke, Linz, and the Italian Montecatini Trust recently formed the Danubia A.G. which is about to start building Austria's first petrochemical plant near Vienna. A similar project involving the Farbwerke Hoechst of Germany and a number of Austrian chemical firms is being discussed —Vienna.

Rice

EGYPT—Exports of rice during the first six months of the current season (starting November 1) reached 350 thousand, compared with 120 thousand tons during the same period last season. However, export commitments are estimated at 500 thousand tons and, as the season normally lasts only nine months, a serious oversold situation has developed. It is reported that prices for paddy rice have soared, chartered ships have been idling in port for a month waiting for cargo, and exporters are making frantic efforts to secure rice from other sources or to renegotiate their contracts.

Egypt's best customer this year is Indonesia (100 thousand tons), followed by Germany, Lebanon, Russia, Ceylon and Japan. Small quantities up to 500 tons have been shipped to Canada in recent years —Cairo.

Sewing Machines

BRAZIL—Ten thousand Brazilian sewing machines manufactured in São Paulo will be exported to the United States and will earn $450 thousand in foreign exchange. The manufacturers, Manoel Ambrosio Filho S.A., are reportedly producing 530 machines a day—São Paulo.

Sugar

PERU—Sugar exports set a record in 1957—496,272 metric tons compared with 428,303 in 1956. Production last year totalled 708 thousand tons, down from the 1956 figure of 717 thousand tons; the record exports were achieved by drawing on accumulated stocks. Production figures include chancaoa, a brown sugar made by open-kettle boiling of cane juice and used in the preparation of a number of typical Peruvian sweet dishes.

Japan became Peru's principal sugar customer in 1957 displacing Chile, but Peru continues to be Chile's principal supplier (114 thousand tons last year). Sugar exports to the United States increased slightly; other important customers were the United Kingdom, Germany, Bolivia and Uruguay. Peru is the world's fourth sugar exporter—Lima.

Sugar

CHILE—The second beet sugar plant of Industria Azucarera Nacional S.A. (IANSA) was inaugurated at Puerto Varas, Llanquihue, on May 27. The plant is expected to produce 20,000 tons of refined sugar a year. Chile's output of beet sugar in 1958 is expected to reach about 32,000 tons, roughly 18 per cent of annual consumption—Santiago.

Synthetic Fertilizers

PERU—The first factory in Peru to manufacture synthetic fertilizers is expected to begin production by the end of this year. Initial annual output is estimated at 25,000 tons of ammonium nitrate for agricultural purposes, 5,000 tons of industrial ammonium nitrate, 1,500 tons of nitric acid for explosives, 15,000 tons of agricultural sulphate of ammonia, and up to 1,000 tons of anhydrous ammonia. The factory has been designed so that capacity may be doubled if necessary—Lima.

Tea

PAKISTAN—The Government of Pakistan has allotted for export 20 million pounds of tea for the crop year which started on April 1, 1958. Of this total, tea exports on a consignment basis for auction in foreign markets will be restricted to a maximum of 10 million pounds—Karachi.

Timber

NYASALAND—The Nyasaland Forestry Department will plant 2,300 acres of softwood trees a year so that by 1990 there will be over 70,000 acres of mature timber. According to present estimates, this will meet Nyasaland's total requirements. By 1960 there should be some 20,000 acres of softwood plantations—Salisbury.

Tractors

AUSTRALIA—The Ford Motor Company of Australia has announced production of a new 32 h.p. three-cylinder tractor, to be known as the *Dexta*. It will sell at £980 and is claimed to be the cheapest tractor of its kind in Australia. It is of a completely new design and incorporates a new system called the Qualitrol which gives more accurate, more constant and simpler depth control for all implements. Ford has also announced production of a range of implements suitable for both the Ford *Major* and the *Dexta*—Melbourne.

58150-4—3

PHARMACEUTICAL RAW MATERIALS

Markets in Latin America II

ARGENTINA—*Local industry is growing but imports are still large. Import controls bar all but small list of products from dollar countries.*

G. E. BLACKSTOCK,
Assistant Commercial Secretary, Buenos Aires.

THE market in Argentina for Canadian pharmaceutical raw materials is limited. Although there is a substantial pharmaceutical industry in Argentina and large quantities of many raw materials are purchased abroad, the serious dollar shortage puts Canadian exporters at a disadvantage. Import restrictions leave the door open to only a relatively small list of dollar products. Even in such cases, needs are usually filled, whe possible, from non-dollar sources at prices which repr sent severe competition. The dollar area at prese is an important source of less than ten pharmaceutic raw materials and the main source for only four. 1957, Canada figured on this list only once, as t main supplier (over one-third of the 116 thousa kilograms imported) of monocalcium phosphate a calcium pantothenate. Imports of products of anim origin are almost all denied entry because Argenti is more than self-sufficient in this field.

There is practically no local production of produc of vegetable origin, except for camomile. About 1 metric tons of these dried flowers are grown ea

Raw Materials	Total Imports for all uses, 1957 (kilos)	Customs Duty Ad Valorem*	Total Annual Consumption** (kilos)	Principal Exporters in order of importance
Lecithin	76,000	12%		United States ½, West G many ½
Phosphorus and its compounds n.o.p., including phosphorus anhydride and lindocaine	1,600	18%		United Kingdom ½, Neth lands and United States
Mercury and its compounds, including mercuric iodine, calomel, mercuric oxide	4,000	6%	90 5,000 2,500	France, United States, Uni Kingdom
Methyl alcohol	1,667,000	35%	30,000	West Germany ½, United Stat
Salts of calcium n.o.p., including calcium pentothenate, monocalcium phosphate	116,000	12% 18%	500	Canada ½, United States Austria ½
Salts of potassium n.o.p. including potassium citrate	4,303,000	18%		Netherlands ½, France ½
Potassium iodide†	100	35%	40,000	United States
Citric acid	73,000	18%	100,000	Netherlands ½, Czechoslovak
Chloroform	12,000	12%	40,000	United States ½, United Kin dom, West Germany
Carbon tetrachloride†		18%	16,000	
Bismuth n.o.p. and its compounds, including bismuth glycol arsanilate	1,600	9%		Switzerland ½, United Kin dom, Italy
Arsenic, its compounds and salts n.o.p. including arsenic trioxide	556	6%		France ½, Netherlands
Aluminum and salts n.o.p. including activated alumina, aluminum chloride, dihydroxyaluminum aminoacetate	801,000 57,000	18% 18%		Brazil ½, West Germany, Sou Africa
Acetic anhydride	1,000	6%	180,000	Netherlands (all)
Aldehydes n.o.p. (including isomers) including acetaldehyde		18%		
Zinc compounds n.o.p. including zinc oxide, zinc stearate, calamine	10,000	18%	110,000	United Kingdom ½ United States ½
Sodium benzoate	86,000	9%	55,000	United Kingdom ½, Franc Netherlands, U.S.S.R.

*Argentine ad valorem duties are based on the C.I.T. Argentine ports invoice value.

†For import of these items the importer must obtain a Certificate of Necessity from the Argentine Ministry of Industry and Commerce.

**Where figures are available.

ar and roughly half is exported. However, the local oduct is of low quality. The higher quality require-ents are all filled by imports, mostly from Italy. arks, herbs and roots may be imported from any urce through the free market but Germany, France, e United Kingdom, the Southern European countries d India have shared the bulk of the market in cent years. Belladonna, rauwolfia, senna leaves, rdamom, linden tree flowers (Tilia sp.), regaliz, borandi and others are all imported. Hellebore root not much used here but there is a market for cascara tracts, dry, soft and fluid, but particularly dry; 10,000 los were imported in 1957, mainly from the United ngdom, the United States and West Germany. There also a market for castoreum and golden seal root. st year Canada sold over 500 kilos of senega root Argentina.

ollar Imports Restricted

ocal production supplies the greater part of the Argen-ne demand for about half the list of pharmaceutical w materials that Canada has for export. And though there is also a long list of these materials nich Argentine firms are permitted to import, foreign change control regulations virtually exclude pur-ases from dollar countries.

ne table on page 14 sets out the pharmaceutical raw aterials which Argentina may buy from the dollar ea through the free market. These products come in varying amounts and supply varying proportions the local demand, ranging from less than 25 per nt in some cases to virtually all in a few others. he table confirms, however, that the dollar countries otain only a small part of the business available.

is extremely difficult to estimate the proportion of w material requirements being filled through pro-rement agreements between subsidiary and parent mpanies, but it is fairly safe to say that by and rge this does not seriously restrict the market.

here are no specific health regulations or standards verning imports, but they are inspected on entry into e country to insure that labels or invoices accurately sclose and describe contents. Products composed of nprocessed plants are checked for any obvious signs disease, spoilage or insect infestation. Inspections e carried out under the direction of qualified chemists d analyses are made in doubtful cases.

nada is at no tariff disadvantage compared with her suppliers because she exchanges most-favoured-tion tariff treatment with Argentina. The limiting ctor is the import regulations which bar all but a w pharmaceutical raw materials originating in dollar untries. Moreover, the pharmaceutical industry in rgentina is growing, and prospects are that imports ll shrink further as time goes by. •

BRAZIL—*Principal opportunities for Canadian producers are in synthetic chemicals and other raw materials for new products, but Brazil's lack of dollars puts us at a disadvantage.*

C. E. BUTTERWORTH,
Consul and Trade Commissioner, São Paulo.

BRAZIL'S pharmaceutical industry has developed rapidly over the last few years and today can satisfy the demand for most packaged medicines and pharmaceutical preparations. The Associação Brasileira de Industria Farmaceutica (Brazilian Association of the Pharmaceutical Industry) states that there are 525 pharmaceutical laboratories in Brazil; 31 have an annual sales turnover of over 100 million cruzeiros (approximately $1 million) and 92 of between 10 and 100 million cruzeiros. The remaining 402 are below that level. Thus Brazil, with a population of over 60 million and a rising standard of living, provides an interesting market for Canadian producers of pharmaceutical raw materials, particularly synthetic chemicals.

Generally speaking, Brazil can satisfy most of her own requirements for medicinal roots, herbs and barks, and products of animal origin, but she relies on imported synthetic chemicals, as the figures on page 16, covering some products, indicate.

Brazil has some of the newest and most modern pharmaceutical establishments in the world. Many of the larger ones are foreign controlled or have a certain

At a pharmaceutical plant in Brazil, packaged products move along an assembly line; note the modern equipment and the hygenic handling of the products. Over 31 of these Brazilian plants each have sales of over one million dollars a year.

58150-4—3½

BRAZILIAN IMPORTS FOR PHARMACEUTICAL INDUSTRY

CHEMICAL PRODUCTS

	1957 (first 3 months)	1956
Germany	$ 251,840	$ 477,291
Argentina		3,796
Canada	1,166	5,362
Denmark	13,323	112,807
Spain		6,419
United States	477,863	1,538,713
France	81,165	120,850
United Kingdom	13,474	24,664
Netherlands	2,000	2,401
Hungary	13,107	43,322
Israel	16,616	
Italy	69,131	243,518
Yugoslavia		8,103
Japan	6,100	24,112
Mexico	1,960	
Poland	2,617	32,446
Sweden	11,255	44,668
Switzerland	190,849	677,702
Czechoslovakia	3,956	25,671
Benelux		4,208
	$1,156,422	$3,396,053

VITAMINS A AND D CONCENTRATES

	1957 (first 3 months)	1956
Germany	$ 2,994	$ 150,178
Spain		9,338
United States	34,268	2,084,896
Netherlands	5,354	2,007
Italy		9,402
Japan	5,250	9,707
Norway		54,496
Switzerland	26,090	101,128
	$ 73,956	$2,421,152

Source: Brazilian Ministry of Finance.

percentage of foreign capital invested in their plants—such as Abbott Laboratories do Brasil Ltda., Bristol-Myers do Brasil S.A., Cia. Johnson & Johnson do Brasil, Cia. Quimica Rhodia Brasileira, E. R. Squibb & Sons S.A., Eli Lilly & Co. do Brasil, Industrias Farmaceuticas Fontoura-Wyeth S.A., Laboratorio Parke Davis Ltda., Merck Sharp & Dohme S.A., Pfizer Corporation do Brasil. However, these companies are not necessarily restricted to buying their raw materials from the parent company or its affiliates, although in practice most of the large firms I visited do so. One pharmaceutical plant imported from the United States under the Western Hemisphere Trading Act, others purchased direct, and many bought their raw materials from local import firms in order to avoid the troubles and delays involved in importing goods into Brazil.

There are no health regulations governing imports of raw materials used in the manufacture of pharmaceuticals, except that the materials must be of U.S.P. or B.P. quality. The finished product, on the other hand, is strictly controlled.

Canada and the United States are at an exchange d advantage in the Brazilian market compared with ot countries because of Brazil's lack of sufficient doll to meet her requirements. The agio (or premiu for U.S. dollars is higher than for other currencies. a result of the continuing depletion of Brazil's fore exchange reserves over the last year, the agio premium) for most foreign currencies has increas considerably, and for the U.S. dollar it has alm doubled.

In addition to the high cost of foreign exchange imports under the present exchange system, the n Brazilian tariff that was brought into effect on Aug 14, 1957, provides protection for domestic indust with ad valorem duties ranging between 1 per cent a 200 per cent. Most synthetic chemicals carry valorem duties of 10 per cent to 80 per cent. Canadian products receive most-favoured-nation ta treatment in Brazil.

Canadian Sales

The following figures show that Canada does en a share of the market here for raw materials used the manufacture of pharmaceuticals:

Canadian Exports to Brazil, 1957

Medicinal roots, herbs, barks	$1,680
Medicinal preparations	8,110
Drugs and chemicals, n.o.p.	8,490

Source: Dominion Bureau of Statistics.

Our main difficulties in this market are the high cost the dollar agio and the fact that the Americans, Fren Germans and Dutch have a very firm footing he The best opportunities for Canadian companies in supplying the raw materials for new pharmaceuti products in an industry which is characterized by c tinuous development, change and progress. This d not mean, however, that our present sales cannot increased and other traditional products introdu by cultivating new contacts. The Brazilian market this field is a big one, particularly for synthetic che cals, and the pharmaceutical industry is well est lished. The Canadian Consulate at São Paulo wo welcome inquiries.

Market May Decrease

At the present time Brazil imports approximately per cent of her requirements of synthetic chemicals the pharmaceutical industry, but this condition will last very long. The country is industrializing fast a the new, highly protective tariff is just one indicat of the Government's policy. There are numerous pl afoot for the development of the synthetic chem industry and it is expected that within seven to years Brazil will be able to provide her pharmaceut industry with the raw materials it needs. ●

CHILE—*German, U.S. and Japanese suppliers hold major share of market.*

I. M. MADDICK, *Commercial Secretary, Santiago.*

THE tremendous growth in the Chilean pharmaceutical industry in the past two years can best be illustrated by the rise in imports of raw materials. In 1956, these were valued at approximately $2.5 million; in 1957, they jumped to $6 million.

These imports covered a wide range of medicinal roots, herbs and barks, raw materials of animal origin and synthetic chemicals. Germany occupied the first place as a major supplier last year, with 40 per cent of all imports by value. The United States was second with 25 per cent, the United Kingdom third with 10 per cent, and the remainder of the purchases, 25 per cent, came from various countries.

Japanese Increase Sales

There are twelve large laboratories producing drugs for the retail market, several of which are branches of well known North American and European drug producers. The rest are large Chilean laboratories producing under licence and also under their own brand names.

Purchases of raw materials by the laboratories, including those of foreign ownership, are based primarily on price and quality and are not restricted because of affiliation with a foreign company. Although Germany has been the main supplier during the past two years, Japan, which has recently entered the market, will probably capture the major share in 1958 because of extremely low prices.

Duty on Imports

Any laboratory registered with the Ministry of Health may import raw materials for use in its manufacturing processes, provided a prior permit is obtained from the Director of Price Control of the Ministry of Health. There are no quantitative restrictions on imports of pharmaceutical raw materials, but they are all subject to customs duties ranging from 5 to 35 per cent. Canada has a most-favoured-nation trade agreement with Chile and these duties apply equally to imports from Canada and other countries enjoying most-favoured-nation treatment. In addition, importers must deposit from 5 to 100 per cent of the invoice value with the Central Bank for a period of ninety days when placing the order. As a result, credit facilities for a short term are a factor in competition. However, here again the main suppliers of these raw materials are on the same footing as a Canadian supplier.

Under present conditions, there seems to be no bar to Canadian pharmaceutical raw materials entering the Chilean market, but suppliers must be prepared to meet keen competition.

The Commercial Secretary in Santiago will be happy to provide interested Canadian producers with the names of the leading Chilean laboratories. ●

PERU—*offers a small market but all raw materials are imported and Canadians should investigate the possibilities, especially for synthetic chemicals.*

L. D. BURKE, *Assistant Commercial Secretary, Lima.*

THE market in Peru for pharmaceutical raw materials, although it is small by most standards, is a promising one. The pharmaceutical industry is growing and the present tendency, where possible, is to cut imports of finished preparations and to manufacture the complete product in the country. A new industrial code nearing the approval stage in the Peruvian Congress will support local manufacture by granting tax and customs duty concessions to new industries in the early stages of their development.

Finished goods make up the largest part of the total value of raw materials and pharmaceutical preparations brought into Peru today. The size of the local market does not justify the manufacture of a number of medicines; of the total population of 9.5 million, only four million can be considered customers for medicinal preparations. This group lives principally in the coastal area where the per capita income is almost three times that of any other region.

The Peruvian pharmaceutical industry is confined solely to the preparation of compounds, solutions, tablets and pills and the packaging of these. None of the private laboratories produces raw materials, although a few do prepare extracts and vaccines. The 45 pharmaceutical laboratories (several manufacture cosmetics as well) can be divided into three main groups: subsidiaries and licensees of foreign companies; four large firms that comprise the most important part of the national industry, and local laboratories employing anywhere from two or three to 100 persons.

All Raw Materials Imported

All of the raw materials used by the Peruvian pharmaceutical industry must be imported. The principal suppliers are the United States, the United Kingdom, Germany, France and Italy. Recent advice is that Japan would like to enter this market. Because of differences of opinion within the trade itself as to what may be rightly classified as raw material, it is difficult to establish the value of imports. However,

it is generally agreed that there is a market of approximately $2 million a year for pharmaceutical primary materials. The principal materials required are antibiotics, sulfas, vitamins, basic salts (sodium, bismuth, potassium, calcium), plant extracts, acids (tartaric, citric and phenol) and glucose in powder form.

Import figures for 1956, the latest available, give an idea of the demand here for a number of products under the general headings above: certain basic salts —8.4 million kilograms of caustic soda, 6.9 million kilograms of sodium carbonate; antibiotics—38.2 thousand kilos of penicillin, 6.5 thousand kilos of streptomycin, 8.4 thousand kilos of terramycin; hormones—1.6 thousand kilos of insulin; vitamins—773 kilos of liposoluble vitamins, 14.5 thousand kilos of hydrosoluble vitamins.

Market for Canadian Suppliers

The sales possibilities in Peru for such Canadian-made raw materials as senega root, hellebore root, bile acids and pepsin are very limited. On the other hand, Canada is participating in the small market for cascara sagrada bark and liver extracts. Canadian liver extract is considered expensive but the industry, set up especially to use it, continues to buy. There is a fairly good market for golden seal root. ACTH is not used in Peru as a raw material; all preparations containing this ingredient are imported in prepared form and local firms would be interested in offers from Canada. Male hormones are not produced locally but manufacture of the female type was started a short time ago. Vitamins D2, D3, B1, B6, etc., are imported as raw material.

Synthetic chemicals are the basis of the national industry and are important to its development. Whether sales from Canada can be made in this line depends upon price, quality and delivery. The quality standard required by Peru is the same as that under the Pharmaceutical Code of the United States.

How to Sell in Peru

The six subsidiaries and licensees are an important sector of the Peruvian pharmaceutical industry, particularly as users of raw materials. However, because they do the bulk of their buying through their own companies, the most effective sales approach is directly to the head office of each organization. The largest national laboratories do on occasion buy directly but as a general rule they deal through representatives of foreign suppliers established here. The limited requirements of the smaller laboratories make it necessary for them to rely on the services of representatives who, in some cases, maintain stocks on which the small operator can draw. Terms of sale vary considerably but 90 days is normally considered the maximum for credit for sales of raw materials. To reach the market represented by the national firms it essential to have a good local agent who calls reg larly on the trade. The office of the Commerc Secretary will be glad to supply the names of forei affiliated companies operating here and to recomme representatives for suppliers of raw materials.

Government Policy

Peru places no restrictions on imports of pharmaceu cal raw materials but encourages this trade in eve way possible. When the imported raw material used as a basis for the production of antibiotics, vi mins or hormones it is exempt from duties. Sanita control over imported raw materials is essentially the hands of the operating laboratories who must me the requirements of the Peruvian health authorit when they present the finished product for registrati Narcotics and poisonous drugs are subject to spec regulations.

Tours of Territory

W. G. BRETT, Assistant Commercial Secretary Caracas, Venezuela, will visit the Andes regi including Merida and San Cristobal, early in Se tember.

J. MACNAUGHT, Acting Commercial Secretary Wellington, New Zealand, will visit Christchur from September 29-October 3.

K. F. OSMOND, Commercial Secretary in Ro Italy, will visit Yugoslavia, including Belgra Zagreb, and other points, from August 30 to Se tember 8.

R. D. SIRRS, Assistant Commercial Secretary Caracas, Venezuela, will visit the Netherla Antilles in September.

Businessmen who would like these officers undertake assignments should get in touch with th at their posts as soon as possible. Write to Mr. Br and Mr. Sirrs at Caracas, Mr. MacNaught at Wellin ton, and Mr. Osmond at Rome.

Index to *Foreign Trade*

The index to Volume 109 (January-June 195 of "Foreign Trade" is now ready. If you would li a copy, write to the Editor, "Foreign Trade", Depa ment of Trade and Commerce, Ottawa.

Canada Exports Poultry Products

Shell eggs lead Canada's exports in this field, but dried and frozen eggs, hatching eggs, dressed and eviscerated poultry and baby chicks also contributed to the $3.6 million earned in foreign markets last year.

K. L. MELVIN,
Assistant Chief, Food and Agriculture Division.

CANADA'S exports of poultry products are relatively small in relation to total production but export markets do provide an important outlet for surpluses. During the past five years, average annual exports of poultry products have totalled just over $3 million in value, and in 1957 reached $3.6 million. They consisted of shell eggs for consumption as such, dried and frozen eggs, hatching eggs, dressed and eviscerated poultry and baby chicks. Shell eggs have been the most important by far in terms of value, averaging about $2.7 million a year.

During the first half of this year, poultry products earned $4.4 million in foreign markets, compared with $400 thousand during the same period last year, and in fact substantially more than exports for the whole year in 1957. This large increase resulted from a much heavier movement of shell and frozen eggs.

The table shows exports of poultry products from Canada during the years 1953-1957 and January-June 1958.

Since 1953 Venezuela and the United States have been the leading markets for Canadian shell eggs; the average annual value of shipments to these two countries reached $1.3 million and $900 thousand, respectively. Lesser quantities went to Bermuda, the West Indies, Cuba, Mexico and a number of Central American countries. This pattern has continued during the first half of this year, but shipments to Venezuela were not only far greater than those in the same period of 1957 but were slightly higher in value than the total for the whole of last year.

Exports of dried and frozen eggs have been less important in recent years, although some fairly substantial quantities went to Europe earlier this year. Similarly, exports of dressed and eviscerated poultry have been small in relation to total production; the West Indies, St. Pierre and Miquelon, and the United States are the principal markets. Canada also has a small but interesting export trade in hatching eggs and baby chicks which earn about $200 thousand a year. Hatching eggs are sold principally to the United States, baby chicks to the West Indies, Mexico and the United States. Earlier this year some 13,000 chicks valued at nearly $8,000 were flown to Rumania.

Canada Exhibiting at Mexican Fair

For various reasons, including proximity and our ability to compete in them, it is expected that the West Indies, Central and South America and the United States will continue to be the main export outlets for Canadian poultry products. Partly for this reason, the

CANADA'S EXPORTS OF POULTRY PRODUCTS

		1953	1954	1955	1956	1957	Jan.-June 1958
Shell eggs	doz.	7,399,087	6,813,989	3,772,555	3,742,584	9,275,628	9,330,918
	$	3,643,661	3,117,602	1,674,327	1,754,085	3,244,157	3,366,616
Dried eggs	lb.	15,764	59,900	1,208	228	66,410	14,300
	$	15,635	60,255	250	84	27,800	12,925
Frozen eggs	lb.	115,976	86,400	4,180		38,000	4,934,238
	$	51,116	42,120	1,590		6,840	767,287
Hatching eggs	doz.	182,582	218,978	261,067	155,092	129,811	72,819
	$	135,742	145,037	174,781	155,713	137,856	104,343
Dressed and eviscerated poultry	lb.	218,060	388,808	292,224	184,583	310,973	208,255
	$	107,311	160,423	130,930	91,792	127,835	80,677
Baby chicks	no.	164,463	205,607	88,658	359,030	299,754	103,159
	$	32,749	45,498	23,601	96,325	64,165	41,799

Canadian Government has decided to participate in the International Poultry Exposition in Mexico City from September 21-28, 1958. This exposition is being held in conjunction with the Eleventh World's Poultry Congress sponsored by the World's Poultry Science Association of which Canada is a member. The Canadian display is designed to show how Canadian methods of production, marketing and research play their part in producing quality poultry products for both the domestic and export customer. It will also feature displays of shell eggs and eviscerated poultry.

Future prospects for exports of Canadian poultry products depend upon a number of factors, not the least of which is quality. Every effort is made to ensure that the purchaser receives a product of the highest quality. As an illustration, the Canada Department of Agriculture administers legislation pertaining to the production and marketing of eggs and poultry under which all eggs for export must pass through a registered egg-grading station, and all dressed and eviscerated poultry mus have been processed in a registered processing plant These egg-grading stations and processing plants ar under government supervision and their construction sanitation and general operation must meet certai rigid requirements. All eggs and poultry intended fo export must be graded, packed and marked in accord ance with high standards that are uniformly applie throughout Canada.

An official export inspection certificate must b obtained for each export shipment. This certificat assures that at the time of shipment the product me the high quality standards prescribed for it.

In addition, the federal and provincial government and the industry carry on continuous research in a effort to maintain and improve still further the qualit of Canadian poultry products and thereby increas sales both at home and abroad.

Brazil Holds an Investment Conference

Non-government representatives from 51 countries met in Braz recently to discuss private capital investment in less develope areas, and some of the attendant problems.

MONTY KERR, *Assistant Commercial Secretary, Rio de Janeiro.*

SOME 800 persons from 51 countries, including Canada, took part in an International Investment Conference held at Belo Horizonte, capital of the state of Minas Gerais, Brazil, early this summer.

Main purpose of the conference, sponsored by Brazil's National Confederation of Industries, was to bring investors from many nations together to examine the possibilities of private capital investment in countries not fully developed. It also discussed the establishment of an international investment code and the creation of an international private investment organization to guarantee security of investment made by private enterprise in any part of the world.

Brazil's Point of View

Brazilian business and government leaders considered it appropriate that the conference should take place in their country because Brazil provides a good example of the rapid changes which can take place in less developed countries if foreign investors are encouraged.

Speaking for the less developed nations, severa Brazilian speakers asked that the highly develope nations of the western world consider it their duty t help the under-developed countries. In the keynot speech, President Kubitschek of Brazil emphasize this point, stating that in an age of rapid communica tions the peoples of less developed nations are n longer content to accept the existing order. The struggle for what he termed "economic emancipation calls for skilful handling, co-operation and understand ing on the part of the highly developed democrati nations. Otherwise these less developed nations migh be lured by easy promises which would eventuall result in a sacrifice of their freedom.

Of particular interest to Canadian and other investo was President Kubitschek's assurance that state pa ticipation in certain fields of activity was not to b taken as a sign of state control or interference. Th government only intervened where private capital wa not prepared to accept the risk because of low initi

turns, or where drastic measures were necessary to velop essential elements in the economy. It was ted that industries started through government initiave often opened new doors for investment and velopment by private capital.

azil's booming motor vehicle industry was cited an example. So far government approval has been ven to 28 different investment projects for the buildg of trucks, buses, passenger automobiles and parts. ven different countries—the United States, Britain, ance, Germany, Italy, Sweden and Japan—have eady invested in the industry the equivalent of S$214 million in imported equipment. US$200 mil-n has been raised in Brazil for land, buildings, etc.

otecting the Investor

th foreign and Brazilian delegations paid close atten-n to proposals of the West German delegates calling r the formation of a legally recognized international ganism which would guarantee protection for foreign vestments. To this end it recommended bilateral cords between nations that export and those that port capital.

he point of view of United States businessmen pressed at the conference was that, although bilateral cords were necessary, for the average American vestor the "record of performance" of nations seeking reign investment was far more important than statements of principles or the negotiation of bilateral or ultilateral agreements.

ecommendations Adopted

t the concluding session of the conference the follow-g recommendations were adopted:

Private international capital should contribute to e growth of under-developed countries of the world, twithstanding the initial contribution of internal mestic savings to their development.

Equal treatment should be granted to private domes-capital and that coming from abroad.

The normal legal provisions governing international pital transactions should take into consideration the culiarities of each stage of development prevailing under-developed countries.

Limitation of the field of activity for the application foreign capital should be consistent with the need r accelerating the economic development of the nder-developed countries, as well as creating a basis r the maximum growth of private industrial initiative.

In the light of the above-mentioned principles, vernments should take the steps needed to create a imate that will encourage the flow of international pital between highly industrialized and under-developed countries. ●

Cuba Exports Tobacco

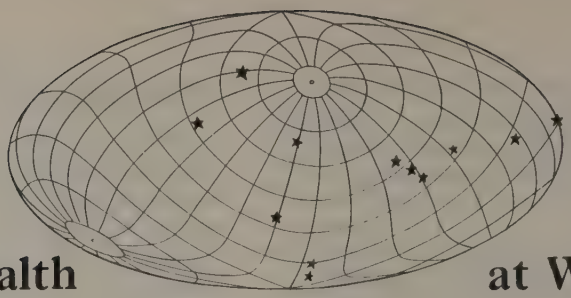
CUBAN tobacco growers and manufacturers exported to Canada 464 thousand pounds of cigar leaves valued at close to $600 thousand and 10 thousand pounds of manufactured cigars valued at $80 thousand in 1957. Although the Canadian cigar industry relies upon Cuba as its major supplier of stemmed cigar leaves and as an important source of the fine finished cigars which many Canadians like to smoke, few people here realize what a variety of tobacco is produced in Cuba and how it is grown and processed.

Tobacco, at present Cuba's most important export crop after sugar, was first developed commercially by the Spaniards nearly five hundred years ago. Today some 100 million pounds of tobacco are harvested annually. The plant is grown on the island during the dry season; that is, seeding begins in September and harvesting is completed by March. Different tobacco-growing regions produce individual varieties of leaf. The varieties called "Havenensis" in the Partido, "Criollo" in the Vuelta Abaja, and "Pelo de Oro" in the Remedios districts are the most popular. The finest quality tobacco for cigars is from the Vuelta Abajo district near Havana.

Of the 100 million pounds grown each year, some 10 per cent is absorbed by the cigar manufacturers, 30 per cent by the cigarette producers, and the remainder by exporters of straight leaf tobacco. Cigars are made, mainly by hand, in nearly a thousand factories and shops, but only a very small number of these become licensed exporters. In contrast to cigar factories, the cigarette industry is highly mechanized. The Cuban cigarette is made from a strong, dark tobacco and as a result is not as widely sold in North American markets, where a preference for the milder blonde tobacco, originally grown in the Carolinas and Virginia, has developed. During 1957 Cuban growers began planting the blonde variety themselves and they expect a harvest of five million pounds in 1958. The static condition of the world market for Cuban cigar leaf and heavy duties on tobacco products may hinder the industry's expansion. Nevertheless it remains of vital importance to the Cuban economy.

Canada's interest in Cuban tobacco products has been fairly constant since the war; we have generally imported between 400 and 700 thousand pounds of tobacco leaves and cigars each year. With the expected increases in our population by 1980, this market for a staple Cuban product may well increase.

—G. A. BROWNE,
Commercial Secretary, Havana.



The Commonwealth at Work

Trade Relations within the Commonwealth

A survey of the exchange of preferential tariff treatment among the various members of the Commonwealth, plus some comment on the scope of these preferences.

International Trade Relations Branch.

A distinctive feature of the trade relations among the various members of the Commonwealth is the preferential tariff treatment on a widely varying scale that is exchanged among many members, both independent and non-self-governing. This treatment is sometimes on a contractual basis as a result of trade agreements and sometimes is a matter of individual tariff policy.

Commonwealth Preferences Today

Preferential treatment was exchanged between England and her colonies as early as the 1600's. Commonwealth tariff preferences as we know them today, however, may be regarded as dating from the turn of the twentieth century, when British preferences became a feature of the Canadian tariff structure. During the next decade, Australia, New Zealand and the Union of South Africa reintroduced preference, and preferential rates later made their appearance in the tariffs of several of the non-self-governing areas. Preferences on a contractual basis were exchanged between the West Indies and Canada as early as 1912.

The following features of the tariff structure of particular Commonwealth countries are of interest, because they indicate the diversity of the preferential tariff arrangements within the Commonwealth as a whole.

United Kingdom—Preference is accorded equally to all parts of the Commonwealth.* For most goods, admission to preference means duty-free entry. On a small number of articles, notably motor vehicles, most synthetic textile products, tobacco and whisky, a preferential rate of duty applies. There are also a few instances of dutiable goods on which there is no preference.

A trade agreement of 1937, replacing one originally negotiated in 1932, provides the basis for the preferential tariff arrangements between Canada and the United Kingdom. These arrangements have been modified in relation to the obligations established between the two countries under the General Agreement on Tariffs and Trade in 1948.

Trade agreements concluded by the United Kingdom with Australia, New Zealand, the Union of South Africa, the Federation of Rhodesia and Nyasaland, India and Pakistan each provide for specified preferences on various products. The benefits of these negotiated preferences accrue automatically to all other members of the Commonwealth.

The foregoing agreements, in most cases, contain provisions for concessions to the non-self-governing areas.

Australia accords the British preferential schedule of her tariff to the United Kingdom. Margins of preference on many products are governed by a trade agreement between the two countries concluded in 1932 and modified and supplemented in 1957.

The British preferential tariff is also extended, by separate trade agreements, to most products of Canada, New Zealand and the Federation of Rhodesia and Nyasaland. It applies as well to specified products of Ceylon and of most of the non-self-governing areas.

The Union of South Africa, India and Pakistan are not accorded the British preferential schedule but are granted most-favoured-nation treatment.

New Zealand in general accords her British preferential schedule to the Commonwealth. Special treatment for particular items, however, is stipulated in trade agreements with Australia, Canada, and the Union of South Africa, and exemption from a surtax (22½ per cent of the duty), a feature of the New Zealand system, does not extend to Canada, the Union of South Africa, India or Pakistan. One provision of a trade agreement of

*A minor exception provides for especially favourable duties on quotas of colonial sugar.

1932 with the United Kingdom ensures maintenance of prescribed preference margins.

Union of South Africa—Preferences in South Africa are accorded, by trade agreement, to many products of the United Kingdom and to a limited number of products of New Zealand, Canada, Ceylon and the non-self-governing areas. Duty-free entry or preferential rates are provided in an agreement with the Federation of Rhodesia and Nyasaland. South West Africa and the Protectorates of Basutoland, Bechuanaland and Swaziland are included, for customs purposes, in the Union of South Africa.

Rhodesia and Nyasaland—In the common tariff adopted by the Federation of Rhodesia and Nyasaland in 1955, the United Kingdom, most of the non-self-governing areas and, in general, the Union of South Africa are granted more favourable preferential treatment than other Commonwealth countries. The other independent Commonwealth countries are accorded rates lower than most-favoured-nation rates on a wide variety of goods. Canada, by trade arrangement, in addition enjoys special tariff concessions on a small number of items.

Ghana, one of the newer members of the Commonwealth, is accorded tariff preferences by various other Commonwealth countries, but her own tariff structure does not contain a preferential schedule.

Ceylon—The Ceylonese tariff provides preferences on roughly half of all dutiable goods. These are granted to all parts of the Commonwealth.

India and Pakistan—The tariffs of these two countries do not have Commonwealth preferential schedules. Each grants tariff concessions to the other, however, and accords preferences on a limited scale to the United Kingdom and the non-self-governing areas.

Malaya—To the extent that preferences exist in the limited tariffs of the Federation of Malaya, they are accorded to all parts of the Commonwealth.

Canada— The British preferential schedule of the Canadian tariff is accorded, with only minor reservations, to all parts of the Commonwealth. On a good many items the margin of preference and/or the level of rates is bound by trade agreements which have been concluded with Australia, New Zealand, the Union of South Africa, the Federation of Rhodesia and Nyasaland, and The West Indies.

The West Indies—Preferences to all other parts of the Commonwealth are provided for most dutiable items in the current tariffs of the islands comprising the Federation of the West Indies (Barbados, Jamaica, Trinidad, and the Windward and Leeward Islands). As already noted, the exchange of preferences between the West Indies and Canada has been based on a trade agreement since 1912. The agreement currently in effect was concluded in 1925.

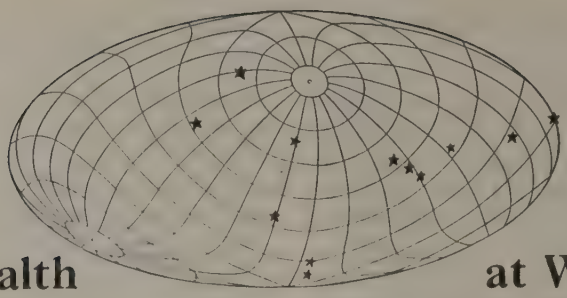
Non-Self-Governing Territories—Preferences available to all parts of the Commonwealth are provided in a good many of the 33 separate customs areas which comprise the non-self-governing territories. They are most numerous in the tariffs of Cyprus, Malta, Bermuda, the Bahamas, British Honduras, and British Guiana and least numerous in the limited tariffs of Singapore, Hong Kong, Gibraltar, and the Falkland Islands, where they are confined to tobacco and alcoholic beverages. Preferences are precluded by international treaty in British East Africa (Kenya, Uganda, Tanganyika and Zanzibar), and in the British West African territories of Nigeria and the Cameroons. There are no preferences in Aden, the Maldive Islands, Papua and New Guinea.

The Scope of Tariff Preferences

As this article shows, the scope of the preferential system in the independent countries and in most of the other territories is unique to the individual area. This is especially true of the range of goods for which preferences are provided. Except in a very few instances, there has been no effort towards uniformity in the margins of preference either on goods entering particular markets or on any particular products entering all preferential markets. The conditions on which preference is granted also vary considerably and a product which qualifies for preference in one area will not necessarily qualify in another.

Where preferences are on a contractual basis, they may be expressed in terms of the actual margin of preference to be granted (e.g., $2 per ton or 10 per cent ad valorem) or as a proportion of the rate on non-Commonwealth products (e.g., a preference of one-third). In either case, and provided other factors are not involved, the country granting the preference is free to alter the effective rates of duty. In some Commonwealth trade agreements, however, the actual rates of duty are bound and can only be altered by re-negotiation.

A number of trade agreements concluded with non-Commonwealth countries provide, in effect, that preferences will not be increased. Notable among these is the General Agreement on Tariffs and Trade (GATT), to which all independent members of the Commonwealth are parties and whose membership includes all the major trading nations. A feature of this agreement affecting Commonwealth tariff relations is the "no-new-preference" rule. In fact, through GATT tariff negotiations a number of preferences have been reduced or eliminated in the course of securing reductions in the tariff barriers maintained by non-Commonwealth countries against Canada and other members of the Commonwealth. ●



The Commonwealth at Work

Ghana's Trade with the Commonwealth

Britain provides Ghana with about 83.3 per cent of her imports and takes about 87 per cent of her exports. Trade with other Commonwealth countries continues to be very limited.

M. B. BURSEY, *Commercial Counsellor, Accra.*

ANY assessment of Commonwealth trade from Ghana's point of view must take into account the predominance of the United Kingdom and also the relative lack of interest in trade with other members of the Commonwealth.

The attached tables give the value of exports to and imports from the larger trading countries, divided between Commonwealth and non-Commonwealth, for the calendar years 1953-1957 and also show Ghana's intra-Commonwealth trade for the same years. Apart from the United Kingdom, Ghana's chief trading partners for the past five years have been the United States, West Germany, the Netherlands and Japan. Her aggregate trade with each of these, except Japan, has been greater in recent years than trade with Commonwealth countries, exclusive of the United Kingdom.

In recent years, trade both ways with the Netherlands and West Germany has increased considerably. In 1956 and 1957, West Germany was the largest buyer of Ghana's cocoa, her principal export product. Imports from Japan have gone up phenomenally; in fact, Japan has become the second largest supplier, next to the United Kingdom, even though Ghana's exports to Japan are negligible.

Trading Policy

In general, Ghana's trading policy follows its foreign policy. It does not wish to be aligned with particular blocs and pursues a policy of friendship with all countries. It is anxious to extend its trade and since gaining independence in March 1957 has sent a number of trade and goodwill missions abroad. It is difficult to forecast future trading policy but it is fair to say that Ghana welcomes trade with all countries.

Commonwealth imports into Ghana have never received preferential tariff treatment because the coun-

Imports into Ghana

Country	1957	1956	1955	1954	1953
	(in £'000)				
Commonwealth					
United Kingdom	40,742	41,665	41,611	34,554	42,567
Canada	968	931	752	1,150	546
Other Commonwealth	5,654	5,270	5,582	4,045	3,677
Total Commonwealth	47,364	47,866	47,945	39,749	46,790
Principal Foreign					
United States	4,661	3,374	3,330	2,758	3,989
Netherlands	7,951	7,360	7,134	5,991	5,911
West Germany	5,318	4,512	4,392	3,426	2,328
Japan	10,301	8,957	8,928	5,255	3,983
Italy	1,847	2,032	2,223	1,303	1,474
Total, all countries:	96,565	88,836	87,867	71,154	73,802

Exports from Ghana

Country	1957	1956	1955	1954	1953
	(in £'000)				
Commonwealth					
United Kingdom	34,181	29,945	39,105	46,203	37,648
Canada	894	860	367	453	950
Other Commonwealth	3,952	4,438	4,217	4,602	2,745
Total Commonwealth	39,027	35,243	43,689	51,258	41,343
	1957	1956	1955	1954	1953
Principal Foreign					
United States	14,472	15,983	17,418	19,548	24,447
Netherlands	9,044	9,700	10,745	11,050	5,744
West Germany	11,457	14,147	11,237	15,626	6,601
U.S.S.R.	127	2,051	4,095	7,285	3,612
Norway	3,228	2,462	1,736	2,288	2,279
Italy	3,834	2,474	2,043	1,447	1,273
France	843	1,184	1,293	2,034	18
Sweden	1,010	1,036	1,338	1,458	1,325
Total, all countries:	91,599	86,599	96,231	114,673	89,943

try is still bound by an 1871 Convention between the United Kingdom and the Netherlands (the Niger River Convention), under the terms of which the Gold Coast was precluded from creating preferential trading and tariff arrangements on imports.

Its tariff policy is non-protective. Although certain tariffs are high, they are imposed primarily to obtain revenue and there are also export duties on cocoa, diamonds, and timber. There is, however, a substantial free list. To help new industries, companies incorporated and resident in Ghana are permitted to import industrial machinery without the payment of import duties and from time to time specific industrial raw materials are also exempted from import tariff when this step will assist in establishing a particular industry. Certain existing tariffs may therefore become protective in effect as local industry expands and there may be a tendency to impose new tariffs for this purpose.

Ghana is a contracting party to the General Agreement on Tariffs and Trade and at the last GATT Conference the Ghana delegation voiced its concern about the effect of the European Common Market on Ghana's cocoa and timber sales.

In recent years Ghana has not had trading problems because of a ready market for its principal products —cocoa, timber, manganese, gold and diamonds. As long as these exports continue at their present level and, in particular, as long as cocoa prices remain reasonably high, it is unlikely that there will be any move to extend import control.

GHANA'S INTRA-COMMONWEALTH TRADE

Imports into Ghana
(in £'000)

	1957	1956	1955	1954	1953
Total Commonwealth	47,363	47,862	47,940	39,746	46,787
Leading Countries:					
United Kingdom	40,743	41,665	41,611	34,554	42,567
Australia	294	207	200	269	186
Canada	969	931	752	1,150	546
Hong Kong	1,035	1,076	1,488	713	520
India	1,424	1,261	936	972	707
New Zealand	107	129	139	129	149
Nigeria	763	538	656	436	327
South Africa	1,496	1,213	1,530	1,162	1,015
Trinidad and Tobago	255	634	511		699

Exports from Ghana
(in £'000)

	1957	1956	1955	1954	1953
Total Commonwealth	39,027	35,241	43,685	51,255	41,341
Leading Countries:					
United Kingdom	34,181	29,945	39,105	46,204	37,648
Australia	1,172	1,959	2,290	2,520	1,224
Canada	895	860	367	454	950
India	3	25	38	24	19
New Zealand	299	495	369	257	417
Nigeria	239	340	245	355	230
Sierra Leone	115	232	101	107	46
South Africa	1,126	1,337	1,141	1,286	802

Intra-Commonwealth Trade

Ghana's trade with the Commonwealth, exclusive of the United Kingdom, is relatively small, but the country does not consider this a problem and is making no efforts to divert its trade to Commonwealth countries other than the United Kingdom. It would welcome proposals to increase such trade but might resist special arrangements, especially if the result would be to restrict trade with other countries. In general, the initiative would have to come from other Commonwealth members. It is interesting to note here that a direct shipping line from Australia to South Africa which links with West African ports is expected by Australia to increase its trade with Ghana.

As the Ghana Minister of Finance pointed out during the meetings of the Commonwealth Finance Ministers, if Commonwealth countries wish Ghana to carry on more of its trade within the Commonwealth, it is important that their products be competitive with those from other sources. About 70 per cent of Ghana's import trade is carried on by large United Kingdom, French, Lebanese and Swiss trading companies whose head offices buy centrally for all of their West African outlets and whose purchasing lines are well established. These firms have buying offices in London, Liverpool, Birmingham and Manchester and traditionally they have bought a large proportion of their supplies from the United Kingdom. Their main consideration, however, is price and consumer acceptance and if goods from other Commonwealth countries are competitive or in demand, there is no reason why imports should not be increased.

Aids to Trade

Although it is not a problem directly connected with trade, it has been observed that since independence many things which Ghana wants have not been supplied by the Commonwealth. For example, Israel has helped in providing managerial direction plus capital for the new shipping line and for the establishment of a joint construction company, and has also participated in water supply programs. This does not involve Israel in any financial aid of a giveaway nature. Germany is supplying the manager for a new match factory and the United States is sending agricultural specialists and has established a branch office of the International Co-operation Administration at Accra to study development projects. An increase in trade with these countries may be expected to follow this investment and technical help in the industrial or business sectors. ●

Malaya's Trade with the Commonwealth

New Federation, with Singapore, draws about 36 per cent of its imports from Commonwealth countries and sends about 32 per cent of its exports to them. The import percentage is still rising but exports to the Commonwealth are decreasing.

W. G. HUXTABLE,
Assistant Trade Commissioner, Singapore.

THE newly independent Federation of Malaya is economically connected by indissoluble ties with the Colony of Singapore on its southern tip. The magnificent port, second largest in the Commonwealth, and the entrepôt trading facilities of Singapore serve Malaya so that in any economic study the two must still be surveyed together. This article, describing the main features of their 1957 trade, considers them under the general heading of Malaya.

Britain Is Biggest Customer

Malayan exports in 1957 totalled Can.$1,324.7 million, of which 32 per cent was destined for the Commonwealth. Imports totalled Can.$1,391.1 million, and 36 per cent came from the Commonwealth. Last year was the first since 1954 in which imports exceeded exports. The United Kingdom alone supplied nearly half of Malaya's imports from the Commonwealth and provided a market for 45 per cent of her exports to the Commonwealth. Malaya's trade with the Commonwealth is widely distributed. The United Kingdom, Canada, South Africa, Hong Kong, North Borneo, Sarawak, India, Bahrein, Australia and New Zealand each supply or purchase over Can.$6 million worth of goods each year.

The United Kingdom, Malaya's largest single customer, was the second largest supplier. Tobacco products, motor vehicles, electric equipment, industrial machinery, and iron and steel were among the most important of the wide range of goods, totalling in value Can.$246.3 million, which Malaya bought from the United Kingdom.

The United Kingdom purchased from Malaya Can.$193.1 million worth of crude rubber, ship and aircraft stores, tin, vegetable oil and canned pineapple. The United States, the second largest customer but seventh supplier, bought Can.$177.1 million worth of essentially the same commodities.

What Canada Trades

Canada ranks thirty-fourth among suppliers to Malaya and fourteenth among customers. Most important items in Canada's sales are motor vehicles, wheat flour and outboard motors. Total sales by Canada to Malaya reached Can.$5.3 million; Canadian purchases from Malaya were worth Can.$24.9 million and consisted chiefly of crude rubber, tin, and vegetable oils, plus spices and canned pineapple.

Sales to Malaya from Canada and the United States are hampered by exchange controls. Items classed as non-essential can be imported from the dollar area only via Hong Kong. Purchasing dollars for payment on the free market there adds to the cost of importing but, nevertheless, 34 per cent of Canada's sales to Malaya last year were made via Hong Kong.

Other Commonwealth Suppliers

The other large Commonwealth countries—South Africa, India, Australia, and New Zealand, as well as Hong Kong—all receive rubber and tin from Malaya. South Africa supplies fish products and chemicals; India, sugar, petroleum products, textiles and clothing; Australia, flour, milk products, meat, petroleum products, fruit, grain, iron and steel; New Zealand, milk

MALAYA'S TRADE
(millions of Canadian dollars)

	1955		1956		1957	
	IMPORTS	EXPORTS	IMPORTS	EXPORTS	IMPORTS	EXPORTS
Value of Malaya's total trade	1,213.8	1,319.9	1,319.0	1,323.0	1,391.1	1,324.7
With United Kingdom	219.3	241.9	240.3	218.4	246.3	193.1
With Colonies	151.0	78.4	161.1	84.3	150.7	85.5
With independent Commonwealth countries	85.5	137.4	93.7	139.5	100.4	137.4
With CANADA	2.6	29.3	3.4	26.6	3.5	24.9
With whole Commonwealth	458.4	487.0	498.5	468.8	500.9	440.9
With United States	23.4	229.8	31.4	199.9	27.1	177.1

MAIN TRADING PARTNERS
(per cent of total value)

EXPORTS TO:	1955	1956	1957
United Kingdom	18.3	16.5	14.6
United States	17.4	15.1	13.4
Japan	6.9	8.0	10.1
Italy	3.7	4.2	4.0
France	5.7	4.5	4.0
West Germany	5.5	4.7	3.6

IMPORTS FROM:	1955	1956	1957
Indonesia	30.1	22.8	28.1
United Kingdom	18.1	18.2	17.7
Thailand	7.1	7.4	7.5
Japan	6.2	6.2	6.1
Sarawak	4.7	5.1	4.3
Australia	3.7	4.0	4.2
United States	3.9	4.6	3.8

roducts. Hong Kong supplies clothing, sugar, footear, chemicals, paint, fruit, flour and a wide variety f manufactured goods. Bahrein supplies petroleum roducts, as does nearby Sarawak.

orth Borneo, Brunei and Sarawak all supply crude ubber to the Singapore market. These three British orneo territories draw their needs of tobacco products, othing, automobiles and a wide variety of general erchandise mainly from Singapore.

rading Developments

ndonesia, a non-Commonwealth country, was Malaya's rgest supplier. Imports totalling Can.$391.3 million ere made up mainly of petroleum products, crude ubber, oilseeds, coffee and spices. These Indonesian nports, many of which are later exported, play an nportant part in Malaya's entrepôt trade, said to qual 50 per cent of her total trade. Ninety per cent f the entrepôt trade passes through Singapore. Sales o Indonesia increased from Can.$63.5 million in 1955 o Can.$82.7 million in 1957.

xamination of Malayan trade figures for the last ree years shows that total imports and exports have een increasing steadily in value. Malayan imports om the Commonwealth have also been rising but xports to the Commonwealth dropped from Can.-487.0 million in 1955 to Can.$440.9 million in 1957. he largest part of this drop was in exports of rubber o the United Kingdom. It has been more than offset y increases in exports of general merchandise to ndonesia and of iron ore and rubber to Japan.

he Malayan economy, based as it is on rubber and n for sale on world markets, is affected by the level f production in industrial countries. Authorities note at total free world consumption of tin is not likely o rise in the immediate future, nor is an increase in orld rubber consumption expected immediately. hese developments may affect the Malayan economy the near future. ●

Wanted—Surplus Army Trucks

CANADIAN veterans would recognize many old friends from the Second World War bumping along the roads going north from Bangkok, Thailand. More of these friends ply the trails in the timber forests of Malaya. There is now a keen demand from loggers in these South East Asian forests for Canadian Army trucks, most of them thirteen or more years old.

Repainted in bright circus colours with Chinese, Malay or Thai characters announcing the owner and his address, these trucks carry teak, meranti, chengal and bakau logs over rough jungle trails to the hundreds of sawmills which dot the perimeter of civilization. Two sets of springs are about par per trip. Because vehicles proceed along the left-hand side of the road in both countries, right-hand drive is required. In demand are the 4 x 4, five-ton trucks, described as 60 cwt. by the Canadian Army.

Trade in these trucks, and the spare parts for them, is centered in Singapore. Dealers carry on a brisk business estimated at Can.$60 thousand a month. Import statistics are not obtainable because figures for this business are not separated from the general vehicle and parts trade. Many of the trucks are bought simply for cannibalization.

Although Canada is the original source of nearly all of this material, most vehicles have not seen our shores since they left in ship convoys for the various theatres of war. Now they are exported profitably from dumps in West Germany, the United Kingdom, The Netherlands and Belgium.

Although these vehicles may enter freely from the sterling area or soft currency areas, direct import from the dollar area is forbidden. They may be imported, however, via Hong Kong. Trucks and parts must be consigned to someone in Hong Kong who reconsigns the goods to Singapore on another bill of lading. This usually raises costs by about 2 per cent. Payment is made by selling Malayan dollars on the open market in Hong Kong and this may cost the importer up to 5 per cent above the official exchange rate. In total, the Canadian exporter faces a currency barrier of some 7 per cent as well as the long and costly freight haul. Nevertheless, if you have a supply of these trucks or parts, there is potential business for you in South East Asia.

—BARRY C. STEERS,
Assistant Trade Commissioner, Singapore.

Venezuela Turns to Flour Milling

One of Canada's traditional flour markets is building up a milling industry and buying wheat instead. What are the characteristics of this new grain market? What will this change mean to Canada?

W. G. BRETT,
Assistant Commercial Secretary, Caracas.

ANYONE following the course of Canadian trade with Venezuela will see in item 500 of the Dominion Bureau of Statistics publication, *Trade of Canada,* a special significance. Item 500 is "Flour of wheat N.O.P.", long a ranking Canadian export to this market and one of the cornerstones of Canada's reputation as a quality supplier. Let us review the standing of this key commodity over the past few years. In 1955, 32 per cent of our total sales to Venezuela, $30.7 million, consisted of Canadian flour. In 1956 our trade rose to $34.3 million and flour sales accounted for 24 per cent. The year 1957 was a record one, with sales of $39.8 million. But only 14 per cent of this was flour.

What is happening to this traditional flour market? Are the Venezuelans importing less flour? No. Imports have remained almost constant except for 1957, when there was a 14 per cent drop. It is true that wheat flour represents a lower percentage of Canada's sales to the world as new export products are developed. But this cannot account for the slackening here because sales have declined in absolute terms: 1955—$10 million, but 1957, $5.6 million. The gain in sales o U.S. flour at the expense of the Canadian product part of the answer. In 1955 Canadians sold 90. million kilograms of flour and the United States onl 87.6 million. By 1957 the Americans led with sale of 110.8 million and Canada trailed with 46.6 millio But by far the most significant influence on Canadia sales is the rise of a local milling industry in Venezuel This affected the 1957 figure and we can expect it t have even more influence in the near future as ne mills come into production. Within two years ther will be only small sales of flour to this market.

How have we fared so far in wheat sales? Not so wel Venezuelan statistics give the following compariso between the United States and Canada:

IMPORTS OF WHEAT
(millions of kilos)

1955		1956		1957	
Canada	2.4	Canada	2.2	Canada	3.
United States	3.1	United States	4.8	United States	15.
Total	5.5		7.0		18.

Canada's sales have increased 50 per cent in a marke that has nearly quadrupled.

Milling Plants Increase

What will be the characteristics of this new whea market? How many mills will there be? Where ar

Mill	Location	Reported Capacity (metric tons of wheat a day)	Production Da
Gramoven (Bunge-Born)	Cortada de Tacagua (western outskirts of Caracas)	300 initial capacity; facilities for ready expansion to 450 Machinery—Miag.	November 195
Gramoven (Bunge-Born)	Antimano (western Caracas). When the larger mill is in production (see above), this mill will be moved to Puerto La Cruz—Eastern Venezuela	110 Machinery—Ocrim.	Producing
Hidalgo Hermanos	Catia La Mar (on the seacoast near La Guaira, port of Caracas)	30	Producing
Mocama (Italian capital)	Catia La Mar	150 Machinery—Buehler.	August 1958
Monaca (international)	Puerto Cabello	200 Machinery—Buehler.	July 1958
Sahiv	Puerto Cabello	60 Machinery—Ocrim.	Producing
Harinera Yaracuyana C.A.	Chivacoa (Estado Yaracuy)	30	Producing

ey? What is the capacity of each? These are ques-ns suppliers must ask but the answers are not easy to d. The market is just developing and plans may ange from day to day as the millers watch the com-tition's moves and as local market conditions change.

ie table on page 28 gives the structure of Venezuela's w milling industry, according to the most recent formation.

iere may be a notable addition to production capacity th the building of a large mill at Maracaibo, financed a large American mill and a local financier. There no recent information on this possibility but it is ell to keep the prospect in mind.

ost of these mills are well situated to serve the main ban markets. Transportation is excellent in Vene-ela and most interior points can be reached easily. ierto Cabello, already a busy port and distribution ntre, will soon have a new highway and rail line inland points. Already the rails reach to Barquisi-eto, Venezuela's third city. Most remote from milling cilities is the Maracaibo area. This may be remedied t in any case communication will be greatly improved ien the narrows are spanned by a bridge now build-g. However, if a market for Canadian millers mains, it will probably be the Maracaibo area.

oduction and Consumption

ur survey of local flour mills gave us an estimated tal daily input of about 900 metric tons. This is *ly* an estimate; the capacities as they emerge may entirely different. However, suppose all mills sorb 900 metric tons a day. How does the amount flour output compare with the nation's present nsumption? It seems to be generally accepted that per cent of a mill's wheat input emerges as flour. that case, daily flour production will be about 648 etric tons. One miller told me he calculates that ere are 300 milling days each year; that means an nual production of 194,400 metric tons of flour.

1957 Venezuela imported 157.6 million kilograms flour and 18.6 million kilograms of wheat. Con-rting the wheat to flour available for consumption ves us 13.9 million kilograms. The total amount of our consumed in 1957 was thus approximately 171.5 illion kilograms, or 171,500 metric tons.

pparently there will shortly be an excess of milling pacity to serve the Venezuelan market. This is obably of more concern to local millers than to ospective suppliers of Canadian wheat. Perhaps me mills will operate under capacity or perhaps the s efficient will drop out of production. The factors at determine this are complex and technical. Econo-ies in handling are important. So is relative access to arket centres and milling efficiency, but the decisive ctors are probably quality and market acceptance. There is every reason to think that the quality of the local product will be acceptable. Many of the local mills are associated with foreign millers who have a long tradition of quality and an intensive knowledge of the Venezuelan market. In most cases expert millers are coming to Venezuela to ensure that there is no decline in the quality which customers have come to expect. In these cases too there is usually a ready-made distribution network. In other cases, local millers have made arrangements to produce under foreign brand names that have become household words throughout Venezuela.

Another aspect of the selling problem is disposal of the milling by-products. Most millers profess no concern over selling their bran and shorts. One said that he will be happy if the demand for his flour is as strong as the demand for his by-products. The main buyers are the bigger feed producers, with plants located in the region of Maracay and Valencia, near the nucleus of most flour production. Production is quite large and as the Venezuelan Government moves ahead with its plans to develop livestock farming, demand will rise. One of the larger mills has already contracted to deliver 800 tons of bran a month.

There are two developments that may solve the prospective over-supply problem. The first is an increasing population, through a high birth-rate and immigration. The second is the rising standard of living of the people. Experts have observed that in many countries sales of bread and bread products fall as families become better off. At a certain level bread is rejected in favour of other foods, but Venezuela has not reached this state. Here many people, especially in the interior, have as a bread substitute the arepa, a cornmeal cake.

Even the bread-eating Venezuelan does not consume as much as the people in other countries. Per capita consumption is estimated at slightly less than 30 kilos of bread per year, and the world average is said to be about 60 or 70 kilos.

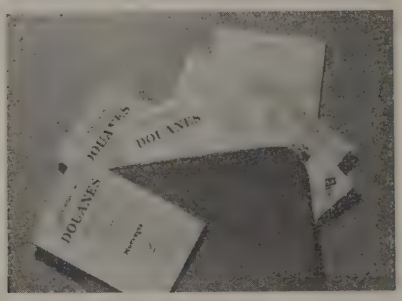
Venezuelan millers hope that these trends will combine to make theirs a useful and profitable operation.

Buying the Wheat

How will Canadian wheat figure in supplying the new industry? Many of the mills, especially the larger ones, are affiliated with world-wide milling and grain interests and most of their purchases will be negotiated by their offices in the United States, Canada or elsewhere. They will buy where they can get what they want, when they want it. They will probably want a quality wheat, about the number 2 level, with a high protein content; Venezuela has always insisted on this. Here bread is not sold by the weight but rather by size. Some millers anticipate regulation in this field which will make protein less of a selling factor. Mills with no

foreign connections may buy directly from the grain merchant or perhaps through a local agent. In view of the relatively few mills, direct sales will probably be the most common.

Canadian suppliers can expect stern competition fro the United States and Argentina. However, Canad sells the world's best wheat and we look for large sales of our product in this new market.



Trade and Tariff Regulation

Australia

IMPORT CONTROLS—In a recent announcement regarding import control policy for the August-November licensing period, the Australian Minister for Trade stated that there will be no change in the level of import licensing during the next four months. The current ceiling for imports will be maintained at £800 million a year.

Under the new licensing scheme, to become effective August 1, capital equipment and electrical machine apparatus will be licensed on a world basis without discrimination against the dollar area. This means that Australian importers of these goods will now be able to obtain their requirements from whatever souce they desire. In addition, a number of items have been added to the list of goods exempt from import licensing. Quotas have also been established for additional commodities when imported from the dollar area.

The following list shows the items which have been affected by the licensing revision, and the licensing treatment to be accorded these items under the new regulations:

Additional items exempted from import licensing control

Item No.	Brief Description
35	Annatto
180(0)	Piezo electric quartz plates, bars and rods
374	Bromine salts, various cyanides and hydrosulphites
335	Fashion plates and books
344(A)	Maps of Australia
344(B)	Maps n.e.i., charts n.e.i.
344(C)	Charts for manuscript use
345	Geographical, etc., globes
410(B)(3)	Oil and water colour paintings
Ex Unspec.	Rosin
"	Cobalt metal
"	Magnesium metal
"	Vanadium metal
Ex Unspec.	Arsenic metal
"	Chrome silicide
"	Calcium silicide
"	Molybdenum metal
"	Chromium metal

Additional items to be licensed on a world basis und administrative control: Adm. (W)

Item No.	Description
Bank B.4	Replacement parts for mining and meta lurgical machines
Bank B.10	Capital equipment (other than electrical)
Bank B.11	Electrical machine apparatus and applianc
Bank B.15	Television transmission and studio equi ment
Bank C.28	Boron products and crude borate rock
Bank C.29	Perlon, nylon and similar tops, etc.

Additional items to be licensed on a world basis subject an import replacement system: R(W)

Item No.	Description
Bank B.1	Replacement parts for air-operated equi ment and air compressors
Bank B.6	Replacement parts for printing machin
Bank B.7	Replacement parts for textile machines
Bank C.20	Replacement parts for business machin

Additional items to be licensed on a world basis subj to quota: Q(W)

	Description
ex 168 A2/a	Sewing machines of types ordinarily us for industrial purposes
168 A4	Transmitters for industrial sewing machi
ex 170 F/5	Rotary and percussive rock drills
ex 174/W	Woodworking machine chisel bits, auge etc.
174 X3	Balancing equipment for use with portal hand tools
174 X36	Hand tools, pneumatic, portable
ex 176 C/2	Hand grinding machines
ex 176 M/1	Woodworking machine chisel bits, auge etc.

211	Printers' type
212	Printers' materials

Additional items, when of dollar area origin, to be licensed on a quota basis:

em No.	Description
: 234 B/1	Material for the manufacture of cement
: 237 /b	Sparkplug insulators

It should be noted that quotas established for ıese items will be for imports from the dollar area ıd that the items concerned are not being made ıbject to licensing on a world basis, i.e. "Q(W)". icences for these goods can be issued against a uota only for the currency area for which the quota established.

Details regarding Australia's import licensing ystem were published in the April 26 and July 5, 958, editions of *Foreign Trade*.

ARIFF BOARD INQUIRIES—The Australian Min-ter for Trade and Customs recently referred to the ariff Board for inquiry and report the question of hether assistance should be accorded to the produc-on, through tariff action or otherwise, of the follow-g goods:

Timing units—items 179(B)(5) and 318(A)(4)(b)(2)

Parts for "I" beam type axles assemblies—item 359(G)

Products of copper and other metals—items 139(A), 139(B), 139(C), 139(D), 140(B), 140(C), 181(A)(1)(a), 181(B), 192 and 208(A)(1).

Tariff item 139 covers primary manufactures of brass, ronze, Britannia metal, nickel silver, phosphor tin, yel-w metal and other non-ferrous alloys.

Tariff items 140(B) covers copper scrap; item 140(C) vers copper angles, bars, pipes, plates, rods, sheets, rips, tees and tubes not further manufactured than ated, polished or decorated, and copper wire including randed or twisted wire.

Colours and dyes—items 231(A), 231(E)(2) and 231(E)(5)

Furnishing fabrics (including furnishing drape fabrics and upholstery fabrics)

Portable electric hand tools—items 176(U)(2) and 3.

anadian firms exporting these products to Australia ay wish to have their views on these tariff inquiries aced before the Tariff Board. The most effective ethod of doing so is for the Canadian exporter to ave his Australian agents act on his behalf before ıe Board. Action should be taken as soon as pos-ble because tariff inquiries normally begin in Aus-alia soon after the announcements are made.

Rates of duty on these products may be obtained om the International Trade Relations Branch, De-ırtment of Trade and Commerce.

ritish Honduras

OLLAR IMPORT LICENSING—The Financial ecretary of British Honduras has announced at, since it is not possible to grant additional allo-cations against the Token Import Scheme for this year, specific import licences will be granted for imports from hard currency sources, including Canada, of a limited amount of the goods listed below:

Food—Vegetables, fresh and canned; margarine; soups; fruits, fresh, dried, canned and crystallized; cereals; roasted coffee; coffee extracts; flavouring essences; baby foods; prepared foods; edible nuts and confectionery.

Textiles—Cotton and rayon piece goods.

Wearing Apparel—Cotton or artificial silk underwear; shirts; hosiery; hats and caps; handkerchiefs; neck and bow ties; leather belts; babies' and children's clothing.

Household Equipment—Stoves; cotton towels; blankets; sheets and pillow cases; crockery, glassware and enamelware.

Other Goods—Paints; turpentine; machetes; screening materials; dry batteries; wax and cellophane paper; plastic sheeting; rubber sheeting; toys; optical supplies; school bags; phonograph records (popular).

Such goods must arrive in British Honduras and be paid for not later than December 31, 1958. Permits must be obtained before orders are placed or the goods may not be allowed to enter. Licences issued will not be extended after December 31, 1958, except in the case of goods for which full remittance of the C.I.F. value was made on or before that date.

Applications for goods other than those listed above may be submitted for consideration.

France

IMPORT PROGRAM—The French balance of payments has improved over the last three months, with the result that the situation as forecast in May and described in *Foreign Trade* on June 21 has not had the expected serious impact on French import planning for the second half of this year. Not only has there been a favourable trend in France's external trade but the inflow of capital (arising largely from the big Pinay loan) has permitted the French administration to take less severe measures as regards imports.

In May and June imports were kept fairly stable and exports rose slightly. The Pinay loan, which brought in the equivalent of $770 million, resulted in an inflow of about 165 tons of gold and added fresh reserves of approximately $172 million. Total gold and foreign exchange reserves are estimated now at about $450 million; this includes credits and advances from OEEC and the United States. The view is held that it should be possible for France to continue its present level of imports until at least the middle of 1959.

When the French administration announced in mid-July its import program for the second half of this year, the reduction over the first half amounted

to less than 10 per cent. The main impact, however, on imports of basic materials was greater than this figure indicates. The import quotas in this category which concern Canada are chemicals, wood and pulp. The over-all quota for chemicals from OEEC and dollar countries has been reduced to $6.5 million but details of the reductions are not obtainable. Chemical pulp imports from the dollar and OEEC areas are being cut by about 10 per cent but the quotas for pulpwood imports will continue at their greatly reduced (as compared with 1957) level. Textile pulp will be up slightly in the second half and lumber unchanged.

French import quotas are of three general types: global quota (all currency areas), EPU and dollar areas combined, or EPU area only. Thus, except for pulpwood mentioned above, reductions need not necessarily have a direct effect on Canada's exports to the French market. Canadian exporters in a competitive position still have the opportunity of holding or increasing their position up to the limits of the allocations available to the dollar area for any commodity. Lists of the commodities for which dollar allocations or quotas are available may be obtained from the International Trade Relations Branch, Department of Trade and Commerce—Paris.

Iceland

EXPORT-IMPORT REGULATIONS REVISED—On May 29, 1958, the Icelandic Parliament passed a law providing for premiums on exports and for charges on exchange sold in Iceland, including exchange needed to pay for imports. A special import fee for a number of import items has also been established. The present law, which is known as the Exports Fund Act, supersedes a similar law of 1956 but retains some of its provisions. The following paragraphs summarize aspects of the new law that appear to be of primary interest to Canadian traders.

A general charge of 55 per cent is being collected by Icelandic banks on any exchange they sell. On exchange relating to payments for imports this charge is levied on the F.O.B. value. A reduced charge of 30 per cent applies to imports of certain basic consumer goods as well as to transfers to students and also for medical expenses abroad. The following are some of the products on which the exchange charges amounts to 30 per cent of their F.O.B. value: potatoes, dried leguminous vegetables, rye, flour of wheat and oats, potato flour, cornstarch, maltose for breweries, newsprint and certain cotton fabrics. In determining the value of goods for the calculation of ad valorem customs duties and the sales tax, the exchange charge is included.

Supplementary to the exchange charge, a special import fee will be levied and collected by the Customs on certain semi-luxury products. This fee will be calculated on the basis of the C.I.F. value, includ ing the exchange charge, regular customs duties an sales tax, increased by a 10 per cent markup. Ther will be three different rates of import fees—22, 4 and 62 per cent respectively. The following are som of the import items of Group A on which the impo fee will be 62 per cent: fresh leguminous vegetable other vegetables; all edible fruits; macaroni, noodle and similar pastes; canned fruits and vegetable tomato puree and sauce; soup powder and cube cotton and other fibres; artificial silk hosiery; offic machines and household electric equipment. Import in Group B on which the special import fee is 4 per cent include starch, flowerseeds, baking powde yeast of all kinds, paper and paperboard, variou paper products, sewing machines and parts, and but tons. In Group C, with a special import fee o 22 per cent, are joiners' tools and hand tools, abra sives, garden tools, crowbars, picks and axes, knive carpenter tools and soldering irons. The import fee will be the same for imports from all countries.

A special fee of 160 per cent of the F.O.B. valu will be levied on automobiles and motorcycles eve if they are assembled in Iceland.

Information concerning particular commoditie may be obtained from the International Trade Rela tions Branch of the Department.

Under the new law, exchange premiums wi be paid on foreign exchange received according t the following rates:

(a) Exchange originating from invisible receipts	55 per ce
(b) Exchange originating from the export of fish products, except herring products, and agricultural products	80 per ce
(c) Exchange originating from the products of certain herring caught during the summer season on the north and east coasts	55 per ce
(d) Exchange originating from the products of other herring (FAXA herring and small herring) and capelin	70 per ce

Similar premiums will be paid on exports o agricultural products. The premiums will be pai by the banks when the exchange is received, excep for the premium on exports which will be paid b the Export Fund. The new exchange premiums a the rates shown will be paid on all exports produce after May 15, 1958.

—J. C. DEPOCAS,
Commercial Counsellor, Osl

South Africa

CUSTOMS AND EXCISE DUTIES ON ASSEMBLE MOTOR CARS—In his budget speech of July 16, th Minister of Finance for South Africa announced th the present customs duty of 73 shillings per 1 pounds on motor cars with an F.O.B. value of le

han £600 would be changed to 20 per cent ad alorem, plus 6d. per pound weight.

For motor cars with an F.O.B. value from £600 o £800 which are presently subject to a duty of 5 per cent plus 6d. per pound, the specific duty will e increased to one shilling per pound.

In the case of motor cars with an F.O.B. value xceeding £800 the duty will be increased from 0 per cent plus 6d. per pound to 30 per cent plus ne shilling per pound. In addition to these ncreased duties, all cars weighing more than 3,500 ounds will bear an extra duty of 6d. per pound.

The excise duty on all locally-assembled cars vill be raised from 6d. per pound to one shilling per ound.

Jnited Kingdom

MPORT CONTROLS ON INDUSTRIAL CHEMI-CALS ABOLISHED—Effective August 18, the British Government has removed import licensing restrictions from a wide range of chemicals and allied products originating in the dollar area. In general, the effect is to free from control those products which re used as materials for industry. Canadian producers and exporters of these goods will now be ble to compete freely with other countries for a hare in the United Kingdom market.

Excluded from the relaxation are chemicals and llied products used primarily as consumer goods, or example, paints, toilet preparations or goods acked for retail sale, as well as dyestuff intermediates, all of which remain subject to specific mport licence.

It would not have been feasible to list the hundreds of chemicals and allied products covered by he relaxation, but an indication of the broad classes f goods affected was circulated to United Kingdom raders in the form of Notice to Importers No. 866. The text of this notice has been reproduced in a eaflet obtainable on request from the International Trade Relations Branch, Department of Trade and Commerce.

Jnited States

ANTI-DUMPING LEGISLATION AMENDED—On August 15 President Eisenhower signed a bill which mends certain provisions of the U.S. Antidumping Act of 1921, the purpose of which is to provide for reater certainty, speed, and efficiency in the enforcement of the act.

When Congress amended the value for duty provisions of the United States Tariff Act in the Customs Simplification Act of 1956, it directed the Secretary of the Treasury to review the operation nd effectiveness of the antidumping act and report is findings to Congress. As a result the Treasury Department recommended that a similar set of definitions be applied in the calculation of dumping duties as are applied in the calculation of ordinary duties under the revised valuation provisions of the Customs Simplification Act of 1956. These recommendations were incorporated into the bill which Congress approved and which was enacted by the President on August 15.

Assessment of dumping duties in the revised act still requires that (a) sales be made at less than fair value of the imported merchandise, and (b) that injury to an industry in the United States must result therefrom. However, in the past a majority decision of the Tariff Commission was required to prove injury whereas under the revised legislation a split decision of the Tariff Commission (three to three) is construed as an affirmative determination that injury has been proven.

The revised act also makes provision for mandatory public notice when there is reason to believe or suspect sales of imported merchandise at a dumping price, and mandatory notice by the Treasury and Tariff Commission of their decisions in dumping cases, whether affirmative or negative, with reasons therefor. Previously, notice of withholding of appraisement by the Treasury Department was made by a press release; there was no established practice with respect to publishing Treasury and Tariff Commission decisions. Now, publication of these notices is mandatory.

TARIFF COMMISSION TO INVESTIGATE IRON ORE COMPETITION—At the request of the Senate Finance Committee, the United States Tariff Commission instituted on August 4 an investigation under the provisions of section 332 of the United States Tariff Act of the conditions of competition in the United States between iron ore produced in the United States and in foreign countries.

The Committee resolution provides that in its report to the Committee on the investigation the Commission shall set forth a summary of the facts obtained in the investigation, including a description of the domestic industry, domestic production, foreign production, imports (including sources), consumption, channels of distribution, United States exports, prices of domestic and imported ore, and the United States customs treatment (including trade agreement obligations with respect to such treatment) since 1930.

The Committee resolution authorizes the Tariff Commission to hold such hearing or hearings in connection with the investigation as it deems necessary or desirable. Announcement regarding any hearing that may be scheduled in connection with this investigation will be made at a future date.

Iron ore enters free of duty under United States tariff paragraph 1700.

The following nominal quotations may prove useful in checking prices. Canadian traders should consult their banks before making any firm commitments.

Conversions into Canadian dollar equivalent and units of foreign currency per Canadian dollar have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The buying rate is that at which the banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

When several rates are indicated, the rate applicable depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Rates used exclusively in non-merchandise trading are *not* included in the table.

For conversion to United States dollar equivalent multiply by 1.30862.

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent August 15	Units per Canadian August 15	Notes (see below)
Argentina	Peso	Official	.05349	18.70	
		Free	.02164	46.21	
Austria	Schilling		.03703	27.01	
Australia	Pound		2.1608	.4628	
Bahamas	Pound		2.7009	.3702	
Belgium, Belgian Empire and Luxembourg	Franc		.01931	51.79	
Bermuda	Pound		2.7009	.3702	
Bolivia	Boliviano	Free	.0001085	9216.60	
British Guiana	Dollar		.5627	1.78	
British Honduras	Dollar		.6752	1.48	
Brazil	Cruzeiro	General Category*	.006041	165.54	*July 23
		Special Category	.002605	344.20	
		Official buying	.052441	19.07	
Burma	Kyat		.2022	4.95	
Ceylon	Rupee		.2026	4.94	
Chile	Peso	Free	.001239	807.10	
Colombia	Peso	Certificate	.1473	6.79	
Costa Rica	Colon	Official	.1715	5.83	
		Controlled free	.1449	6.90	
Cuba	Peso		.9628	1.0387	tax 2
Czechoslovakia	Koruna		.1337	7.48	
Denmark	Krone		.1394	7.17	
Dominican Republic	Peso		.9678	1.0333	
Ecuador	Sucre	Official	.06419	15.58	
		Free	.05753	17.38	
Egyptian Region, United Arab Rep.	Pound	Official	2.7648	.3617	
		Export acct. selling	2.1875	.4571	
El Salvador	Colon		.3851	2.60	
Fiji	Pound		2.4333	.4110	
Finland	Markka		.003009	332.34	
France, Monaco and North Africa	Franc		.002296	435.54	
French colonies in Africa	Franc		.004592	217.77	
French Pacific	Franc		.01263	79.18	
Germany	D Mark		.2298	4.35	
Ghana	Pound		2.7009	.3702	
Greece	Drachma		.03209	31.16	
Guatemala	Quetzal		.9628	1.0386	
Haiti	Gourde		.1926	5.19	
Honduras	Lempira		.4814	2.08	
Hong Kong	Dollar	Free*	.1649	6.07	*Aug.
		Official	.1688	5.92	
Iceland	Krona	Official	.05912	16.91	
India	Rupee		.2026	4.94	
Indonesia	Rupiah	Effective buying	.031757	31.49	
		Effective selling	.02541	39.36	*Aug. 1
Iran	Rial	Certificate	.01271	78.68	

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent August 1	Units per Canadian dollar	Notes (see below)
Iraq	Dinar		2.6959	.3709	
Ireland	Pound		2.7009	.3702	
Israel	Pound		.5349	1.87	
Italy	Lira		.001546	646.83	
Japan	Yen		.002675	373.83	
Lebanon	Pound	Free	.2997	3.34	
Mexico	Peso		.07703	12.98	
Netherlands	Florin		.2544	3.93	
Netherlands Antilles	Florin		.5126	1.95	
New Zealand	Pound		2.7009	.3702	
Nicaragua	Cordoba	Effective buying	.1459	6.85	
		Official selling	.1366	7.32	
Norway	Krone		.1348	7.42	
Pakistan	Rupee		.2026	4.94	
Panama	Balboa		.9628	1.0386	
Paraguay	Guarani	Official	.008797	113.68	
Peru	Sol	Certificate	.03969	25.20	
Philippines	Peso		.4814	2.08	
Portugal & Colonies	Escudo		.03360	29.76	(8)
Singapore and Malaya	Straits dollar		.3151	3.17	
Spain and Dependencies	Peseta	Controlled free	.02292	43.63	(7)
Sweden	Krona		.1861	5.37	
Switzerland	Franc		.2247	4.45	
Syrian Region United Arab Rep.	Pound	Free	.2688	3.72	
Thailand	Baht	Free	.04627	21.61	(7)
Turkey	Lira		.1070	9.35	
Union of South Africa	Pound		2.7009	.3702	
United Kingdom	Pound		2.7009375	.370242	
United States	Dollar		.9628125	1.03862	
Uruguay	Peso	Free	.1408	7.10	
		Basic buying	.6338	1.58	(7)
		Principal selling	.4585	2.18	
Venezuela	Bolivar		.2874	3.48	
West Indies Fed.	Dollar		.5627	1.78	(9)
	Pound		2.7009	.3702	(10)
Yugoslavia	Dinar		.003209	311.62	(7)

*Latest available quotation date.

notes

1. Argentina: additional rates result from exchange retentions on export proceeds and surcharges on imports.
2. Brazil: exporters receive cruzeiros at official rate plus exchange premiums ranging from 18.70 to 48.64 cruzeiros per U.S. dollar, depending on product.
3. Chile: free rate applies to exports and to imports, except prohibited imports. Chilean importers must deposit local currency in amounts ranging from 5 to 200 per cent, depending on product, prior to shipment of goods.
4. France: territory includes Algeria, Tunisia, Morocco, Guiana, Guadeloupe, Martinique.
5. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
6. New Caledonia, New Hebrides, Oceania.
7. Additional rates are in effect.
8. Portugal: approximately same rate for Portuguese territories in Africa.
9. Barbados, Trinidad, Tobago, Leeward and Windward Islands.
10. Jamaica.

foreign trade service abroad

* No Foreign Trade Officer at this post. Bentley's Second Phrase Code is used by Canadian Trade Commissions

Territory	Officer	City Address	Mail and Cables, Office Telephone
Argentina	C. S. Bissett Commercial Counsellor G. E. Blackstock Assistant Commercial Secretary	Canadian Embassy Bartolome Mitre 478 BUENOS AIRES	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 33-8237
Australia (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	J. C. Britton Commercial Counsellor for Canada	7th Floor, Berger House 82 Elizabeth Street SYDNEY	*Mail:* *P.O.* Box 3952 G P.O. *Cable:* CANADIAN *Tel.:* BW 5696
Australia (Victoria, South Australia, Western Australia, Tasmania)	T. G. Major (absent) Commercial Counsellor for Canada H. S. Hay Acting Commercial Secretary	83 William Street MELBOURNE	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* MU 4716
Austria Czechoslovakia, Hungary	R. K. Thomson Commercial Secretary for Canada	Opernringhof Opernring 1 VIENNA 1	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 57-25-97
Belgian Congo Angola, French Equatorial Africa	K. Nyenhuis Canadian Government Trade Commissioner	Forescom Building LEOPOLDVILLE 1	*Mail:* Bolte Postale 8341 *Cable:* CANADIAN *Tel.:* 2706
Belgium Luxembourg	L. H. Ausman Commercial Counsellor Commercial Secretary J. R. Roy Assistant Commercial Secretary	Canadian Embassy 35 rue de la Science BRUSSELS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 13.38.50
Brazil	V. L. Chapin Commercial Counsellor C. M. Kerr Assistant Commercial Secretary	Canadian Embassy Edificio Metropole Av. Presidente Wilson 165 RIO DE JANEIRO	*Mail:* Caixa Postal 2164 *Cable:* CANADIAN *Tel.:* 42-4140
Brazil	C. E. Butterworth Consul and Trade Commissioner R. C. Anderson Vice Consul and Assistant Trade Commissioner	Canadian Consulate Edificio Alois Rua 7 de Abril 252 SAO PAULO	*Mail:* Caixa Postal 6034 *Cable:* CANADIAN *Tel.:* 36-6301
Ceylon	W. R. Van Commercial Secretary	Office of the High Commissioner for Canada 6 Gregory's Road Cinnamon Gardens COLOMBO	*Mail:* P.O. Box 1006 *Cable:* CANADIAN *Tel.:* 91341
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Colombia Ecuador	P. A. Savard Commercial Secretary and Consul N. L. Currie Assistant Commercial Secretary	Canadian Embassy Edificio Banco de Los Andes Carrera 10, No. 16-92 BOGOTA	*Airmail:* Apartado Aereo 3562 *Surface Mail:* Apartado 1618 *Cable:* CANADIAN *Tel.:* 30-065
Cuba	R. R. Parlour Commercial Secretary	Canadian Embassy Edificio Ambar Motors Avenida Menocal 16 HAVANA	*Mail:* Apartado 1945 *Cable:* CANADIAN *Tel.:* UO-9457
Denmark Greenland, Poland	C. F. Wilson Commercial Counsellor	Canadian Embassy 4 Trondhjems Plads COPENHAGEN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Tria 1602
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Germany Federal Republic	J. A. Stiles Commercial Counsellor W. J. O'Connor Assistant Commercial Secretary (Agriculture) G. F. Mintenko Assistant Commercial Secretary	Canadian Embassy 22 Zitelmannstrasse BONN	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* Bonn 21971
Germany	E. H. Maguire (absent) Consul J. M. T. Thomas Acting Consul	Canadian Consulate 69 Ferdinandstrasse HAMBURG	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 326149
Ghana Gambia, Nigeria, Sierra Leone	M.B. Bursey Commercial Counsellor	Office of the High Commissioner for Canada E 115/3 Independence Ave. ACCRA	*Mail:* P.O. Box 1639 *Cable:* CANADIAN *Tel.:* 4824
Greece Israel, Turkey	A. B. Brodie Commercial Secretary L. D. R. Dyke Assistant Commercial Secretary	Canadian Embassy 31 Vassilissis Sophias Ave. ATHENS	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* 74044
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Mexico	C. J. Van Tighem Commercial Counsellor D. B. Laughton Commercial Secretary A. A. Lomas Assistant Commercial Secretary	Canadian Embassy Melchor Ocampo 463, 7th Floor MEXICO 5, D. F.	*Mail:* Apartado 25364 *Cable:* CANADIAN *Tel.:* 25-15-60
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Rhodesia and Nyasaland Kenya, Seychelles Is., Tanganyika, Uganda, Zanzibar	L. S. Glass Canadian Government Trade Commissioner	Offices 110-113 Central Africa House Corner First St./Gordon Ave. SALISBURY	*Mail:* P.O. Box 2133 *Cable:* CANTRACOM *Tel.:* 26571

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United Arab Republic Egyptian Region Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia, Yemen	D. S. Armstrong Commercial Secretary	Canadian Embassy 6 Sharia Rouston Pasha Garden City CAIRO	*Mail:* Kasr el Doubara Post Office *Cable:* CANADIAN *Tel.:* 23110
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United Kingdom (Northern Ireland)	H. A. Gilbert Canadian Government Trade Commissioner	36 Victoria Square BELFAST	*Mail:* (City Address) *Tel.:* 21867
United States Delaware, Maryland, Virginia, West Virginia	Dr. W. C. Hopper Minister (Commercial) Wm. Jones Commercial Secretary W. A. Stewart Assistant Commercial Secretary G. P. Morin Assistant Commercial Secretary	Canadian Embassy 1746 Massachusetts Ave., N.W. WASHINGTON 6, D.C.	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* DEcatur 2-1011
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United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	R. F. Renwick Consul and Trade Commissioner G. F. J. Osbaldeston Vice Consul and Assistant Trade Commissioner	Canadian Consulate General 111 North Wabash Avenue CHICAGO	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* RAndolph 6-6033
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United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	C. T. Charland Vice Consul and Acting Trade Commissioner	Canadian Consulate General 215-217 International Trade Mart NEW ORLEANS 12	*Mail:* (City Address) *Cable:* CANADIAN *Tel.:* JAckson 5-2136
*United States California, (except the ten southern counties), Wyoming, Nevada (except Clark County), Utah, Colorado, Hawaii	Consul General	Canadian Consulate General 3rd Floor, Kohl Building 400 Montgomery Street SAN FRANCISCO 4	*Mail:* (City Address) *Tel.:* SUtter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General The Tower Building Seventh Avenue at Olive Way SEATTLE 1, Washington	*Mail:* (City Address) *Tel.:* MUtual 3515
Uruguay Paraguay Falkland Islands	C. B. Birkett Commercial Counsellor	Canadian Embassy No. 1409 Avenida Agraciada Piso 7° MONTEVIDEO	*Mail:* Casilla Postal 852 *Cable:* CANADIAN *Tel.:* 96096
Venezuela Netherlands Antilles	R. E. Gravel Commercial Counsellor W. G. Brett Assistant Commercial Secretary R. D. Sirrs Assistant Commercial Secretary	Canadian Embassy Edificio Pan American Avenida Urdaneta Puente Urapal, Candelaria CARACAS	*Mail:* Apartado 9277 *Cable:* CANADIAN *Tel.:* 54.34.32
West Indies (Barbados, Trinidad and Tobago, Windward and Leeward Islands) British Guiana, French Guiana, Surinam, Guadeloupe, Martinique	R. G. C. Smith Commissioner for Canada P. T. Eastham Assistant Commercial Secretary	Colonial Building 72 South Quay PORT-OF-SPAIN	*Mail:* P.O. Box 125 *Cable:* CANADIAN *Tel.:* 34787
West Indies (Jamaica) Bahamas, British Honduras	H. E. Campbell (absent) Canadian Government Trade Commissioner M. S. Strong Acting Trade Commissioner	Barclays Bank Building King Street KINGSTON	*Mail:* P.O. Box 225 *Cable:* CANADIAN *Tel.:* 2858

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